

We focus on stocks of companies with unique drivers or growth potential for consistent outperformance.

## Columbia Large Cap Growth SMA Strategy

### Performance

The Columbia Threadneedle US Large Cap Growth SMA Composite returned -10.64% pure gross of fees and -11.33% net of fees for the quarter ending December 31, 2024. The strategy's benchmark Russell 1000 Growth Index returned -9.97% for the same period.

### Market overview

The U.S. equity market lost ground and underperformed its global developed-market peers during the first quarter. The new administration levied a series of tariffs on Europe, Canada, China and other trading partners, fueling worries that economic growth could slow, and inflation could accelerate. Further, shifting daily announcements created significant uncertainty for both investors and businesses.

A pronounced decline in enthusiasm about the potential for artificial intelligence (AI) to drive technology spending was another source of negative sentiment. The emergence of the low-cost DeepSeek AI model in January raised the possibility that corporations could scale back their spending on AI-related infrastructure. This news proved to be a sizable headwind for the mega-cap technology stocks that had led the market higher in 2024, as well as for the information technology (IT) sector and growth style more broadly. Against this backdrop, the tech-heavy Russell 1000 Growth Index returned -9.97% during the quarter, notably lagging the 2.14% gain for the Russell 1000 Value Index, as investors sought more defensive areas of the market.

### Average annual total returns (%) for period ending 12/31/2024

	Inception	3-mon.	1-year	Since inception
Columbia Threadneedle US Large Cap Growth SMA Composite (pure gross)	03/31/2020	-10.64	6.71	19.21
Columbia Threadneedle US Large Cap Growth SMA Composite (net)		-11.33	3.57	15.72
Russell 1000 Growth Index		-9.97	7.76	20.09

Source: Columbia Threadneedle Investments

Effective June 30, 2024, the composite name for this strategy changed from Columbia Large Cap Growth SMA to Columbia Threadneedle US Large Cap Growth SMA Composite.

**Past performance does not guarantee future results.** Returns reflect the reinvestment of income and capital gains, and periods over one year are annualized. Pure gross of fees performance does not include trading costs, management fees, or other expenses that would be incurred by a participant portfolio but does reflect the expenses of any underlying fund and ETF investments. Net of fees performance reflects deduction of the maximum annual wrap fee of 3%. Investors should contact their financial advisor or program sponsor for fees applicable to their account. Please see the GIPS report for more information.

### Quarterly portfolio recap

In sector terms, positioning in industrials and consumer staples led positive contributions to performance relative to the benchmark, while stock selection within IT, financials and real estate weighed most heavily on relative performance.

Within IT, several software companies underperformed after providing guidance that was modestly below expectations, including Datadog, a provider of cloud infrastructure monitoring and security software; ServiceNow, a provider of a cloud-based platform to help companies manage digital workflows; and GitLab, a provider of a software development productivity and security platform. Uncertainty about the impact of Department of Government Efficiency (DOGE) cost-cutting initiatives on companies with government exposure and a pushing back of expectations for a ramping up in AI demand also weighed on sentiment for those stocks. We view the guidance from software companies in general as conservative relative to that coming from other sectors. Moreover, the industry should be relatively insulated from the impact of tariffs and macroeconomic concerns. Elsewhere within IT, Advanced Micro Devices and NVIDIA sold off along with other AI-driven stocks, after the release of the DeepSeek AI model by a Chinese company raised concerns that improvements in model efficiency will lead to lower AI infrastructure demand. We expect such demand to continue to grow as adoption across industries and AI use cases expand. That said, we exited Advanced Micro Devices on the view that the negative narrative around the company's inability to keep pace with NVIDIA's bundled AI offerings, as well as with the customized solutions of various AI infrastructure providers, is likely to persist.

Within financials, investment manager BlackRock and investment bank Goldman Sachs led detractors. Uncertainty about the new administration's economic policies and the pace of deregulation efforts weighed on sentiment for both stocks and the broader financials sector. In addition, capital markets activity slowed during the quarter, as participants sought clarity around the likely impact of tariffs on growth.

Finally, within real estate, exposure to co-location datacenter (a datacenter that rents out space) REIT (real estate investment trust) Equinix detracted from relative returns, as lowered expectations for the pace of AI spending clouded the outlook for data center demand.

On the positive side, several holdings within industrials were notable contributors. Sentiment around Cintas, a provider of uniforms and cleaning supplies, continued to benefit from stable demand that is expected to be less affected by macroeconomic turbulence, as well as from its relatively low vulnerability to tariffs. Cintas continued to show improving profit margins driven by efficiency and technology initiatives. Shares of leading aerospace and defense company General Dynamics were supported by the view that defense spending is less likely to be impacted by any deterioration in economic conditions. In addition, DOGE efforts to slash spending appeared to be prioritizing specific areas of defense, as opposed to making across-the-board cuts, in a way that should benefit the company's end markets such as shipbuilding. Europe's plans to increase defense spending should also provide a tailwind for General Dynamics' business. Ride-hailing and food delivery company Uber continued to benefit from strong demand trends. Moreover, concerns about Tesla entering the robotaxi market eased during the quarter. We continue to believe that Uber will be a partner of choice for robotaxi providers, as its user base and dense network coverage will be very difficult to replicate.

While positioning within consumer staples was additive to performance, there was no individual stock standout. Elsewhere, pharmaceutical company Eli Lilly continued to display strong earnings growth, driven by its weight-loss drugs and better-than-expected sales of several other products. We view the company as having one of the strongest drug-development pipelines in its industry, including an oral weight-loss treatment that is in clinical trials. Cybersecurity software company CrowdStrike continued to benefit from strong demand trends and appeared to have moved past last year's service outage. We expect the cybersecurity space to experience some of the strongest demand growth within the software industry, with AI-driven threats likely providing a tailwind.

### **Outlook**

We expect the remainder of 2025 to continue to feature market volatility, as investors contend with uncertainty regarding tariffs, monetary policy and economic growth. We will be closely monitoring the impact of this uncertainty on both consumer spending and corporate investment, which will ultimately be reflected in the overall strength of the economy. In our view, the tailwind for AI-related spending remains in place, and we are still in the early innings of that investment cycle, with use cases proliferating and adoption just beginning to ramp up.

More broadly, we continue to focus on selecting stocks of companies with idiosyncratic drivers or secular growth tailwinds and the potential to outperform in a wide range of economic environments. In so doing, we seek a combination of certain characteristics that we believe have the potential to drive outperformance throughout a market cycle. Specifically, we emphasize high-quality established and emerging-growth companies that share four characteristics: large and expanding market opportunities, sustainable and durable competitive advantages, improving free-cash-flow generation and accelerating return on invested capital.

**Investment products are not insured by the FDIC, NCUA or any federal agency, are not deposits or obligations of, or guaranteed by any financial institution, and involve investment risks including possible loss of principal and fluctuation in value.**

Holdings and characteristics are based on a representative account and are subject to change at any time. Individual account performance, holdings, and characteristics may differ from information shown. References to specific securities are included as an illustration of the investment management strategy and are not recommendations. Holdings may represent only a small percentage of the portfolio. It should not be assumed that any particular security was or will prove to be profitable or that decisions in the future will be profitable or provide similar results to the securities discussed.

The views expressed are as of the date given, may change as market or other conditions change and may differ from views expressed by other Columbia Management Investment Advisers, LLC (CMIA) associates or affiliates. Actual investments or investment decisions made by CMIA and its affiliates, whether for its own account or on behalf of clients, may not necessarily reflect the views expressed. This information is not intended to provide investment advice and does not take into consideration individual investor circumstances. Investment decisions should always be made based on an investor's specific financial needs, objectives, goals, time horizon and risk tolerance. Asset classes described may not be appropriate for all investors. Past performance does not guarantee future results, and no forecast should be considered a guarantee either. Since economic and market conditions change frequently, there can be no assurance that the trends described here will continue or that any forecasts are accurate.

Advisory services provided by Columbia Management Investment Advisers, LLC ("CMIA"). For purposes of GIPS compliance, the Firm is defined as Columbia Threadneedle Investments Global Asset Management ("Columbia Threadneedle Investments GAM"), which includes accounts managed by the investment manager and certain of its affiliates.

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

This material is provided to program sponsors and third-party intermediaries. To the extent any such recipient chooses to further disseminate this material to program participants, CMIA and its affiliates assume no responsibility for compliance with any laws and rules associated with such further dissemination. Furthermore, receipt of this material by a program participant does not establish a relationship between any such program participant and CMIA or any of its affiliates.

These managed account programs are only available through investment professionals. Not all strategies may be available on all platforms, and fees and terms may vary. Managed account programs may not be appropriate for all investors.

Generally, **large-cap** companies are more mature and have limited growth potential compared to smaller companies. In addition, large companies may not be able to adapt as easily to changing market conditions, potentially resulting in lower overall performance compared to the broader securities markets during different market cycle.

Source: London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). © 2025 LSE Group. FTSE Russell is a trading name of certain of the LSE Group companies. FTSE Russell® is a trademark of the relevant LSE Group companies and is/are used by any other LSE Group company under license. All rights in the FTSE Russell indexes or data vest in the relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company's express written consent. The LSE Group does not promote, sponsor or endorse the content of this communication.

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

The **Russell 1000 Growth Index** is an unmanaged index that measures the performance of those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 1000 Value Index** measures the performance of those Russell 1000 Index companies with lower price-to-book ratios and lower forecasted growth values.

# Columbia Threadneedle US Large Cap Growth SMA Composite

## GIPS Report

Columbia Threadneedle Investments Global Asset Management

**Reporting Currency: USD**

Statement of Performance Results

Calendar Year	Pure Gross-of-fees Return (%) (Supplemental)	Net-of-fees Return (%)	Index Return (%)	Composite 3-Yr St Dev (%)	Index 3-Yr St Dev (%)	Internal Dispersion (%)	Number of Portfolios	Total Composite Assets (mil.)	Total Firm Assets (bil.)
2024	33.00	29.16	33.36	20.34	20.33	N.A.	≤ 5	0.11	554.24
2023	46.44	42.24	42.68	20.45	20.51	N.A.	≤ 5	0.12	N.A.
2022	-30.42	-32.55	-29.14	N.A.	N.A.	N.A.	≤ 5	0.15	N.A.
2021	29.12	25.37	27.60	N.A.	N.A.	N.A.	≤ 5	0.21	N.A.
2020 *	53.94	50.67	61.22	N.A.	N.A.	N.A.	≤ 5	0.17	N.A.

\* For the period 03/31/2020 through 12/31/2020.

### Annualized Trailing Performance as of December 31, 2024

Period	Pure Gross-of-fees Return (%) (Supplemental)	Net-of-fees Return (%)	Index Return (%)
1 Year	33.00	29.16	33.36
Inception	23.20	19.61	23.96

Inception Date: March 31, 2020

# Columbia Threadneedle US Large Cap Growth SMA Composite

## GIPS Report

### Columbia Threadneedle Investments Global Asset Management

#### Columbia Threadneedle US Large Cap Growth SMA Composite

1. Columbia Threadneedle Investments Global Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Columbia Threadneedle Investments Global Asset Management has been independently verified for the periods of January 1, 1993 to December 31, 2023. The verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

2. The Firm is defined as Columbia Threadneedle Investments Global Asset Management (formerly known as Columbia Threadneedle Investments North America prior to June 30, 2024). The Firm provides a broad range of investment management and related services to individual, institutional, and corporate clients around the world. Columbia Threadneedle Investments is the global brand name of the Columbia and Threadneedle group of companies. The Firm was redefined on June 30, 2024, to include the GIPS firms of Columbia Management Capital Advisers, Columbia Threadneedle Investments EMEA APAC, and Columbia Threadneedle (EM) Investments Limited. The Columbia Management Capital Advisers firm offered investment management and related services to clients participating in various types of wrap programs. The Columbia Threadneedle Investments EMEA APAC firm consisted of all portfolios managed by various Threadneedle group companies. The Columbia Threadneedle (EM) Investments Limited firm was a subsidiary of Columbia Threadneedle Investments International Limited, which defined a portion of its business specializing in Global Emerging Markets equities. As of November 1, 2020, the Firm was redefined to include Columbia Cent CLO Advisers, LLC. As of January 1, 2017, the Firm was redefined to include Columbia Wanger Asset Management, LLC, a wholly-owned subsidiary of Columbia Management Investment Advisers, LLC. Beginning March 30, 2015, the Columbia and Threadneedle group of companies, which includes multiple separate and distinct GIPS-compliant firms, began using the global offering brand Columbia Threadneedle Investments. The Firm includes accounts managed by various Columbia Threadneedle Investments entities, including Columbia Management Investment Advisers, LLC, Threadneedle Asset Management Limited, Threadneedle Investments Singapore (Pte.) Limited, Threadneedle Management Luxembourg S.A., and other affiliated entities.

3. The Strategy aims to achieve long-term capital appreciation by investing primarily in stocks of companies with a market capitalization, at the time of purchase, similar to those in the Russell 1000 Growth Index. Portfolios managed in this composite are Separately Managed (WRAP) accounts. The benchmark is the Russell 1000® Growth Index. The composite was created April 1, 2020.

4. Pure gross returns presented in the table above are gross of the wrap fee and do not reflect the deduction of any trading costs, fees, or expenses and are supplemental to the net returns. The wrap fee will normally include all charges for trading costs, portfolio management fee, custody, and other administrative fees. Composite net returns are calculated by subtracting 1/12th of the highest applicable wrap fee (3.00%) from the monthly pure gross return. Actual fees may vary depending on the individual sponsor's wrap fee. Composite returns reflect the reinvestment of dividends and other earnings.

5. Internal dispersion is calculated using the equal-weighted standard deviation of the annual gross returns of those portfolios that were included in the Composite for the entire year. If the composite contains five or fewer accounts for the full year, a measure of dispersion is not statistically representative and is therefore not shown.

6. The three-year annualized standard deviation measures the variability of the gross-of-fees composite and benchmark returns over the preceding 36-month period. It is not required to be presented when a full three years of performance is not yet available.

7. Returns are calculated net of non-reclaimable withholding taxes on dividends, interest, and capital gains. Policies for valuing investments, calculating performance, and preparing GIPS Reports, as well as the list of composite descriptions, list of pooled fund descriptions for limited distribution pooled funds, and the list of broad distribution pooled funds are available upon request.

8. The following fee schedule represents the maximum wrap fee that a sponsor may charge clients seeking investment management services in the designated strategy: 3.00%. The following statement demonstrates, with a hypothetical example, the compound effect fees have on investment return: a 3% annual wrap fee deducted monthly from an account with a 5-year annualized growth rate of 6% will produce a cumulative pure gross return of 33.8% and the cumulative net of fee result of 15.2%.

9. The benchmark is the Russell 1000 Growth Index that measures the performance of those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values. Index returns reflect the reinvestment of dividends and other earnings and are not covered by the report of the independent verifiers.

# Columbia Threadneedle US Large Cap Growth SMA Composite

## GIPS Report

### Columbia Threadneedle Investments Global Asset Management

#### **Columbia Threadneedle US Large Cap Growth SMA Composite**

10. Past performance is no guarantee of future results and there is the possibility of loss of value. There can be no assurance that an investment objective will be met or that return expectations will be achieved. Care should be used when comparing these results to those published by other investment advisers, other investment vehicles and unmanaged indices due to possible differences in calculation methods.

11. Prior to 6/30/2024, the composite was referred to as the Columbia Large Cap Growth SMA Composite.

12. This composite was included in the Columbia Management Capital Advisers GIPS firm prior to joining the Columbia Threadneedle Investments Global Asset Management GIPS firm on 6/30/2024. As the composite was not part of Columbia Threadneedle Investments Global Asset Management prior to 6/30/2024, firm assets are shown as "N/A" in the performance table.