COLUMBIA SELECT LARGE CAP EQUITY STRATEGY

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Performance

- The Columbia Select Large Cap Equity strategy returned -5.19% pure gross of fees and -5.92% net of fees for the quarter ending September 30, 2022.
- Its benchmark, the S&P 500 Index, returned -4.88% for the same period.
- In sector terms, selection within communication services, health care and industrials led positive contributions to relative performance. Selection within information technology, financials and consumer staples weighed on the strategy's performance relative to the benchmark.

Market overview

The U.S. equity market lost ground in the third quarter, continuing the downtrend from the first six months of the year. The quarter began on a positive note, with a rally that lasted through the first half of August. During this time, investors appeared to grow increasingly optimistic that the U.S. Federal Reserve would pivot toward a more accommodative policy. However, subsequent comments from Chairman Jerome Powell — together with a stronger-than-expected inflation report in early September — made it clear that the central bank would continue to raise interest rates aggressively. The Fed raised rates by three-quarters of a point twice during the quarter to bring its benchmark fed funds rate to a range of 3.0% to 3.25%, up from 0% to 0.25% at the beginning of 2022. A broad assortment of external factors further contributed to the weakness in sentiment, including the emergence of an energy crisis in Europe, continued COVID-19 lockdowns in China and the ongoing conflict in Ukraine. Unusual volatility in the global currency and fixed-income markets was an additional source of disruption in the latter half of September. Together, these developments raised concerns about the potential for a slowdown in global growth and a concurrent decline in corporate earnings.

Average annual total returns (%) for period ending September 30, 2022

	Inception	3-mon.	1-year	3-year	Since inception
Columbia Select Large Cap Equity SMA composite (pure gross)	12/31/2018	-5.19	-15.09	9.08	12.27
Columbia Select Large Cap Equity SMA composite (net)		-5.92	-17.64	5.87	8.98
S&P 500 Index		-4.88	-15.47	8.16	–

Past performance does not guarantee future results. Periods over one year are annualized. Returns reflect the reinvestment of dividends, income, and capital gains and are calculated and stated in US dollars Performance is based on the **Columbia Select Large Cap Equity SMA composite**. 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 pooled vehicle 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 performance and fees applicable to their account.

The S&P 500 index returned -4.88% for the quarter. Within the Index, only the consumer discretionary and energy sectors finished the quarter in positive territory, while communication services and real estate were the biggest laggards, posting losses.

Quarterly portfolio recap

In sector terms, selection within information technology and communication services weighed most heavily on the strategy's performance relative to the benchmark. Selection within real estate and energy was most additive to relative performance.

Within information technology, leading detractors included design software company Adobe, digital workflow platform ServiceNow, and chipmaker Nvidia. Shares of Adobe dropped after the company announced the acquisition of Figma, a software application that enables online collaborative design. The market reacted negatively to the price paid for Figma given the uncertain macro backdrop, and questions arose about Adobe's underlying growth trajectory. We continue to believe Adobe has a strong product channel with a good growth opportunity going forward. We also think it is likely that over time the integration of Figma will prove to be significantly accretive to Adobe's earnings and expand the company's growth avenues. ServiceNow underperformed significantly after the CEO referenced longer deal cycles in a cable news network interview. This has been a common theme among software companies, and ServiceNow's earnings do not suggest that the company is being affected any more than its peers. With respect to Nvidia, softening macro conditions have led to an inventory correction across certain semiconductor end markets. The company pre-announced lower-than-expected second-quarter-results and significantly reduced guidance for gaming end market revenue for the upcoming quarter, although other end markets have remained relatively resilient. While the highly cyclical semiconductor group is facing negative earnings revisions, we believe Nvidia remains one of the best positioned companies in the group.

Within communication services, Comcast shares lagged after the company reported softer broadband net additions in the quarter. Management indicated that this trend could remain in place for at least another quarter, as macro trends including a slowing housing market were impacting turnover in broadband subscriptions and Comcast's ability to take market share. AT&T was another notable detractor after lowering cash flow guidance for the year based on more extended billing cycles. The company views the uptick in late customer payments as expected, as the health of the consumer has weakened with high inflation and does not expect this to be a lasting trend.

On the positive side, within real estate, Extra Space Storage has continued to exhibit strong pricing growth and occupancy trends. We believe the company's ongoing expansion into new locations will support future growth.

Within energy, ConocoPhillips outperformed after announcing plans to increase its capital return to shareholders for the year. The company has displayed capital discipline while continuing to benefit from high oil prices and a quality asset base.

Within health care, leading contributors included medical device companies Boston Scientific and Stryker, as well as pharmaceutical company Eli Lily. Shares of Boston Scientific outperformed on good second-quarter-results with revenue growth that was better than expected. The company raised organic growth guidance based on its first-half performance and easing of some supply chain pressures. Stryker also outperformed after reporting a good second quarter and raising its organic growth guidance for the year. Volumes with respect to procedures utilizing Stryker's equipment continued to improve in the quarter, and the company's order book remains strong despite macro challenges. Shares of Eli Lily were boosted, as competitor Biogen reported trial results for its Alzheimer's drug that showed significant slowing in disease progression. Eli Lily has a similar drug in development, and the results from Biogen bode well for its efficacy.

Outlook

Increasingly restrictive Fed policy leading to higher interest rates has pressured the market and created some pockets of economic weakness, most notably in housing demand. At the same time, persistent high inflation has stressed many consumers, although this has been partly offset by strong employment and wage growth. We will be monitoring the upcoming earnings season for additional indicators of slowing economic growth. We will also be closely watching the Fed's trajectory as it seeks to rein in inflation without sending the economy into a deep recession.

While seeking to construct a portfolio that can be resilient to a range of economic outcomes, we continue to focus on stock selection as the driver of returns. In so doing, we seek a combination of certain characteristics that we believe has the potential to outperform throughout a market cycle. We emphasize companies with strong free cash flow generation, improving revenue and earnings trends, high or rising returns on invested capital and sound or improving balance sheets.

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This commentary was prepared by the investment team for the strategy. The team's views are based on market conditions as of the quarter end identified in this commentary and are subject to change without notice at any time based upon market and other factors. This information may contain certain statements that may be deemed forward-looking. Please note that any such statements are not guarantees of any future performance, and actual results or developments may differ materially from those discussed. There is no guarantee that investment objectives will be achieved or that any particular investment will be profitable.

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The **Standard & Poor's 500 Index** (S&P 500 Index) is an unmanaged list of common stocks which includes 500 large companies.

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

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Columbia Select Large Cap Equity SMA Composite

GIPS Report

Columbia Management Capital Advisers

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 (mil.)
2021	29.70	25.94	28.71	17.23	17.17	N.A.	≤ 5	0.19	2,677.50
2020	21.18	17.64	18.40	N.A.	N.A.	N.A.	≤ 5	0.15	1,639.88
2019	28.97	25.23	31.49	N.A.	N.A.	N.A.	≤ 5	0.12	1,390.52

Annualized Trailing Performance as of December 31, 2021

Period	Pure Gross-of-fees Return (%) (Supplemental)	Net-of-fees Return (%)	Index Return (%)
1 Year	29.70	25.94	28.71
Inception	26.56	22.88	26.07

Inception Date: December 31, 2018

Columbia Select Large Cap Equity SMA Composite

GIPS Report

Columbia Management Capital Advisers

Columbia Select Large Cap Equity SMA Composite

1. Columbia Management Capital Advisers claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Columbia Management Capital Advisers has been independently verified for the periods January 1, 2012 through December 31, 2020. 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. Columbia Management Investment Advisers, LLC, an SEC-registered investment adviser, offers investment products and services to institutional and retail markets. For the purposes of claiming compliance with GIPS, Columbia Management Investment Advisers, LLC has defined the Firm as Columbia Management Capital Advisers, an operating division of Columbia Management Investment Advisers, LLC that offers investment management and related services to clients participating in various types of wrap programs. Beginning March 30, 2015, the Columbia and Threadneedle group of companies, which includes multiple separate and distinct firms, began using the global offering brand Columbia Threadneedle Investments.

3. The strategy aims to provide long-term capital growth through an actively managed portfolio of primarily large capitalization U.S. growth and value stocks; however, portfolios are likely to include an allocation to non-U.S. securities. The benchmark is the Standard & Poor's 500 Index. The composite was created January 1, 2019.

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 pure 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 pure 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. Portfolios are valued and composite returns are calculated and stated in U.S. dollars. Returns are calculated gross 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, the Standard & Poor's 500 Index, tracks the performance of 500 widely held, large-capitalization U.S. stocks. It is a market value weighted index (stock price multiplied by the number of shares outstanding), with each stock’s weight in the Index proportionate to its market value. Index returns reflect the reinvestment of dividends and other earnings.

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. Registration with the SEC as an investment advisor does not imply a certain level of skill or training.