

The U.S. equity market lost ground and underperformed its global developed-market peers during the first quarter.

Columbia Select Large Cap Growth SMA Strategy

Performance

The Columbia Threadneedle US Select Large Cap Growth SMA Composite returned -10.63% pure gross of fees and -11.33% net of fees for the quarter ending March 31, 2025. 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's implementation of tariffs on trading partners, including Europe, Canada and China, led to concerns about the potential for lower economic growth and higher inflation. In addition, speculation about the scope of future tariff increases added to uncertainty for investors. 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, and for the information technology sector and growth style more broadly.

Quarterly returns were poor at the headline level, based on the -4.49% return of the Russell 1000 Index. But value stocks held up reasonably well, as investors rotated toward areas of the market with defensive characteristics, above-average yields and lower valuations. The Russell 1000 Value Index recorded a gain of 2.14% despite the challenging headlines, strongly outperforming the -

Average annual total returns (%) for period ending March 31, 2025

	Inception	3-mon.	1-year	3-year	5-year	10-year
Columbia Threadneedle US Select Large Cap Growth SMA Composite (pure gross)	12/31/2011	-10.63	-4.40	5.45	14.10	10.64
Columbia Threadneedle US Select Large Cap Growth SMA Composite (net)		-11.33	-7.24	2.34	10.75	7.39
Russell 1000 Growth Index		-9.97	7.76	10.10	20.09	15.12

Source: Columbia Threadneedle Investments

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

Past performance is not a guarantee of 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.

-9.97% return of the tech-heavy Russell 1000 Growth Index. Mid-cap stocks, which were less affected by the sell-off in the information technology sector, outpaced large caps with a return of -3.40%, as measured by the Russell Midcap Index. Small caps lagged by a wide margin. The Russell 2000 Index returned -9.48% during the quarter, reflecting smaller companies' higher sensitivity to economic growth trends.

Quarterly portfolio recap

The first quarter of 2025 began much the same way 2024 ended, as the U.S. equity market continued to climb higher on optimism about the pro-growth, lower tax and regulation agenda from the incoming presidential administration, against a backdrop of staggering demand for AI processing power and infrastructure. But amid those heightened expectations, the rally stalled abruptly as news out of China focused on the prowess of little-known AI model provider DeepSeek, which threw the market a curve ball that stoked uncertainty about the direction and magnitude of future AI capex spending and challenged U.S. big tech's dominance. As more details emerged about the DeepSeek model's efficiency and low computing cost, many of the worst-case scenarios were diminished, but confidence in U.S. market leadership was clearly shaken.

Market sentiment did not improve as the quarter came to a close, as the new presidential administration began to lay out a flurry of policy directives, with trade policy taking center focus and new tariffs on Mexico, Canada and China being announced as an opening to the start of reshaping global trade. The market sold off sharply in March, as investors generally chased defensive names and shunned risk assets — including growth and small cap stocks — on concerns about slower economic growth and higher inflation.

This volatility weighed on the Columbia Select Large Cap Growth strategy, which declined and modestly lagged the Russell 1000 Growth Index's -9.97% return. During the quarter, the portfolio performed well in the consumer discretionary sector. The portfolio's overweight to health care and underweights to the information technology and real estate sectors also proved beneficial. Relative underperformance in the communication services, industrials and information technology sectors held back relative returns.

In the consumer discretionary sector, our holdings in South American ecommerce leader Mercado Libre and auto parts retailer O'Reilly Auto Parts were relative outperformers, with both stocks delivering strong double-digit returns. Additionally, not owning Tesla was a notable tailwind to relative results during the quarter.

Mercado Libre delivered an impressive quarter, beating earnings estimates with strong execution. The firm noted continued strength in its ecommerce business in Brazil and Mexico and improvement in Argentina. Investors also looked favorably on the firm's comments about its approach to entering the credit market, which is a new long-term growth driver for the company.

Despite reporting a solid but uneventful quarter in early February, O'Reilly Auto Parts saw its shares rally in March on news of additional tariffs on new automobiles. Due to higher interest rates, many new-car buyers were already on the sidelines. With the prospect of higher prices resulting from tariffs, O'Reilly was deemed a winner, as consumers will need to own their cars longer and spend more on maintenance and replacement parts.

Our holding in real estate data and analytics provider CoStar Group was a relative outperformer in the real estate sector as its shares advanced by double digits. Driven by strong profit margins, CoStar beat growth expectations. The firm's outlook, while conservative, did note projected improvement in its commercial real estate offerings, which have been weak over the past year.

In terms of detractors, the portfolio lost ground in the communication services, industrials and information technology sectors during the quarter. In the communication services sector, our position in The Trade Desk accounted for the majority of the shortfall as its shares sold off sharply. The Trade Desk disappointed investors with an uncharacteristic guidance miss, which was largely driven by poor execution of its sales staff reorganization and slower-than-anticipated adoption of its new AI-powered Kokai media buying platform. Investors also grew concerned about increasing competition in the connected TV space from players like Amazon.

In the industrials sector, after a strong 2024 our holding in liquid-cooling technology leader Vertiv pulled back, in concert with other AI infrastructure names, on overall data-center capex spending concerns — despite announcing a strong quarter with increased forward guidance. We continue to own the stock, as we believe the firm is well positioned to benefit from increased AI demand and the long-term secular growth of data centers.

In the information technology sector, our holdings in the semiconductor industry lagged, as On Semiconductor and AMD both declined. Sentiment remained challenged for many industrial- and auto-related semiconductor firms, impacting our view of ON Semiconductor in the near term. A sluggish personal computer cycle continued to weigh on AMD's results. More importantly, it appeared that AMD was losing ground to NVIDIA, our largest holding, in terms of producing advanced chips for AI. Given these headwinds, we decided to exit both AMD and ON Semiconductor during the quarter.

Outlook

Investor optimism in 2025 proved to be short-lived. As we head into the second quarter, it is clear that the unprecedented levels of uncertainty about global trade have shaken investors' confidence. A dramatic sell-off to kick off April has generated pain for equities around the world, not just U.S. firms that heavily import goods. After years of campaign rhetoric, most investors expected some level of tariffs to help modify global trade imbalances. There are many unknowns at this moment.

That being said, one thing we do know is that this situation will continue to unfold day by day. If past delays and policy changes provide any insight, it is that this probably isn't over yet and things could continue to escalate — or possibly be renegotiated to everyone's benefit. There is a wide range of possible outcomes, and we will monitor all developments closely, including employment levels, inflation and potential fiscal and monetary responses that may be down the road. As we have said in the past, investors often discount the resilience of the U.S. economy, and thinking long-term we continue to believe that will be the case.

We have been managing this high-growth strategy for over two decades and have seen a number of challenging environments in the past. While market volatility such as this is always unnerving, we believe that patience is key. We will stick to our process of investing in great companies that have unique products and services that have the ability to grow in even the most difficult times. These periods of market stress historically have provided investors many good long-term opportunities as great growth companies tend to weather the storm better and have the potential to come out stronger on the other side.

When thinking about our current portfolio, we continue to be invested in very durable secular growth names rather than more cyclical and commoditized names. We continue to have meaningful exposure to the transformational theme of AI — which we believe is still in its early innings and will play out over years and not just the next few months. In the consumer discretionary sector, which may bear the brunt of higher prices and inflation from tariffs, we have specifically looked to names that provide the most ‘bang for the buck’ and can even benefit from trade-down effects from higher-priced goods or delayed purchases.

Lastly, one of the biggest areas of differentiation for our portfolio versus the Russell 1000 Growth Index remains our overweight to the health care sector, where we continue to find differentiated names that benefit from the long-tail demographic trends of an aging population and may provide more defensive characteristics than other areas of the market.

In the end, we will remain patient and look for opportunities, as we continue to believe that the select high-growth names in our portfolio look very compelling for long-term investors.

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

Market risk may affect a single issuer, sector of the economy, industry or the market as a whole. **Growth** securities, at times, may not perform as well as value securities or the stock market in general and may be out of favor with investors. **International** investing involves certain risks and volatility due to potential political, economic or currency instabilities and different financial and accounting standards. Investments in a **limited** number of companies or sectors subject the strategy to greater risk of loss. The strategy may invest significantly in issuers within a particular **sector**, which may be negatively affected by market, economic or other conditions, making the strategy more vulnerable to unfavorable developments in the sector.

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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 Index** tracks the performance of 1,000 of the largest U.S. companies, based on market capitalization.

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.

The **Russell MidCap Index** measures the performance of the 800 smallest companies in the Russell 1000 Index, which represent approximately 25% of the total market capitalization of the Russell 1000 Index.

The **Russell 2000 Index** measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index.

Columbia Threadneedle US Select 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	16.42	13.02	33.36	22.18	20.33	0.52	460	237.16	554.24
2023	40.26	36.22	42.68	22.76	20.51	0.99	677	318.31	N.A.
2022	-31.18	-33.29	-29.14	24.63	23.47	0.73	756	264.01	N.A.
2021	10.20	6.96	27.60	21.12	18.17	0.48	938	534.55	N.A.
2020	48.08	43.83	38.49	22.46	19.64	2.07	905	502.95	N.A.
2019	37.76	33.78	36.39	17.39	13.07	1.34	1,045	420.46	N.A.
2018	-3.85	-6.70	-1.51	16.84	12.13	0.53	1,124	345.75	N.A.
2017	35.71	31.79	30.21	15.29	10.54	0.77	1,117	418.78	N.A.
2016	-8.28	-11.01	7.08	16.41	11.15	0.65	1,217	421.54	N.A.
2015	7.71	4.54	5.67	14.43	10.70	0.54	2,424	1,316.36	N.A.

Annualized Trailing Performance as of December 31, 2024

Period	Pure Gross-of-fees Return (%) (Supplemental)	Net-of-fees Return (%)	Index Return (%)
1 Year	16.42	13.02	33.36
5 Years	12.89	9.58	18.96
10 Years	12.53	9.23	16.78
Inception	14.56	11.20	17.57

Inception Date: December 31, 2011

Columbia Threadneedle US Select Large Cap Growth SMA Composite

GIPS Report

Columbia Threadneedle Investments Global Asset Management

Columbia Threadneedle US Select 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 provide competitive, long-term capital appreciation by investing in larger companies whose growth prospects, in the opinion of the management team, appear to exceed that of the overall market. The strategy uses a concentrated portfolio (generally 25 to 35 holdings) diversified across growth industry sectors and uses cross-correlation analysis on holdings to help manage portfolio volatility. Since inception, Separately Managed (WRAP) accounts represent 100% of the composite assets. The benchmark is the Russell 1000® Growth Index. The composite was created January 1, 2012.

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 Select Large Cap Growth SMA Composite

GIPS Report

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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 Select 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.