

News Release

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Columbia Research Enhanced Core ETF (RECS) Celebrates Five-Year Anniversary, \$1B AUM Milestone

The research-based product has attracted over \$1 billion in client assets due to consistently strong performance

BOSTON – October 21, 2024 – Columbia Threadneedle Investments recently celebrated the five-year anniversary of its equity exchange-traded fund (ETF)—the Columbia Research Enhanced Core ETF (NYSE Arca: RECS). In the five years since its launch, RECS has attracted more than \$1 billion in client assets due to consistently strong performance.

RECS has outperformed its performance benchmark, the Russell 1000 Index[®], through its unique rules-based approach that emphasizes the application of proprietary investment research.¹ This approach aims to optimize the ETF's core equity exposure by eliminating stocks from the performance benchmark that are rated unfavorably by the Columbia Threadneedle quantitative research team. In doing so, this strategy addresses a key issue expressed by recently surveyed financial advisors -- nearly 9-in-10 advisors feel frustrated with not being able to remove underperforming stocks in their index investments.²

“Our goal when we launched RECS was to take a common-sense research approach to US large capitalization core investing and clearly that goal is still resonating today,” said Marc Zeitoun, Head of North America Product and Business Intelligence. “Five years later, strong returns and positive investor response have encouraged us to further broaden our research-enhanced offering across other asset classes and to offer the strategy in other wrappers, such as retail SMAs.”

Driven by strong performance, RECS boasts a 5-star Overall Morningstar Rating, with its returns falling within the top 10% of Morningstar's U.S. Large Blend category for the five-year time period ending on September 30, 2024. Launched in September 2019, this ETF offers a cost-effective and tax-efficient solution to investors

seeking core equity exposure and has earned a Morningstar Medalist Rating of Silver. RECS has a total expense ratio of 0.15%.³

RECS is managed by Christopher Lo, Head of Managed and Indexed Portfolio Solutions, Jason Wang, Head of Quantitative Research, and Henry Hom, Senior Portfolio Manager. The rules-based approach designed by the team uses Columbia Threadneedle’s proprietary quantitative investment models to evaluate and categorize companies in the Russell 1000 Index®. These models are designed to rate each company based on quality, value, and catalyst factors, including favorably rated securities while excluding those that do not meet the criteria.

“RECS seeks to generate alpha through the elimination of names that our quantitative models rate unfavorably – an approach that is often overlooked in favor of overweighting stocks with a positive view,” added Lo, who has been managing the Fund since its inception. “As evidenced by it crossing the \$1 billion threshold in client assets, RECS is a powerful example of the value that Columbia Threadneedle’s strong quantitative research and investment expertise can generate for investors.”

As of September 30, 2024, the RECS ETF contained 357 US large-cap stocks, across growth and value, each market-capitalization weighted.

Ratings and rankings⁴

Time Period	Overall	1-Year	3-Year	5-Year
Percentile Ranking	16%	19%	9%	10%
# of Peers	1292	1414	1292	1189
Star Rating	5	-	5	5

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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 2,500 people, including over 650 investment professionals based in North America, Europe and Asia, we manage \$642 billion of assets across developed and emerging market equities, fixed income, asset allocation solutions and alternatives.⁵

Columbia Threadneedle Investments is the global asset management group of Ameriprise Financial, Inc. (NYSE: AMP). For more information, please visit columbiathreadneedleus.com.

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

¹ Rules are as defined in the Columbia Threadneedle custom index, the Beta Advantage® Researched Enhanced U.S. Equity Index (the RECS Index)

² Columbia Threadneedle Investments ETF Survey conducted in November 2023 of 172 financial advisors

³ Morningstar, as of September 2024

⁴ Based on Morningstar category: Large Blend, as of September 30, 2024

⁵ As of June 30, 2024

Past performance does not guarantee future results.

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 www.columbiathreadneedleus.com/investor/. Read the prospectus carefully before investing.

Investing involves risks, including the risk of loss of principal. **Market** risk may affect a single issuer, sector of the economy, industry or the market as a whole. The fund is **passively managed** and seeks to track the performance of an index. The fund's use of a "representative sampling" approach in seeking to track the performance of its index (investing in only some of the components of the index that collectively are believed to have an investment profile similar to that of the index) may not allow the fund to track its index with the same degree of accuracy as would an investment vehicle replicating the entire Index. There is no guarantee that the index and, correspondingly, the fund will achieve positive returns. Risk exists that the index provider may not follow its **methodology** for index construction. Errors may result in a negative fund performance. The fund's **net value** will generally decline when the market value of its targeted index declines. The fund **concentrates** its investments in issuers of one or more particular industries to the same extent as the underlying index. Investments in a narrowly focused sector may exhibit higher volatility than investments with a broader focus. Investments selected using **quantitative methods** may perform differently from the market as a whole and may not enable the fund to achieve its objective. Investment in **larger companies** may involve certain risks associated with their larger size and may be less able to respond quickly to new competitive challenges than smaller competitors. Investments in **mid-cap companies** often involve greater risks than investments in larger companies and may have less predictable earnings and be less liquid than the securities of larger firms. **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. Although the fund's shares are listed on an **exchange**, there can be no assurance that an active, liquid or otherwise orderly trading market for shares will be established or maintained. The Fund may have **portfolio turnover**, which may cause an adverse cost impact. There may be additional **portfolio turnover risk** as active market trading of the fund's shares may cause more frequent creation or redemption activities that could, in certain circumstances, increase the number of portfolio transactions as well as tracking error to the Index and as high levels of transactions increase brokerage and other transaction costs and may result in increased taxable capital gains. This fund is new and has limited operating history.

Morningstar category percentile rankings: Morningstar Ranking/Number of Funds in Category displays the Fund's actual rank within its Morningstar Category based on average annual total return and number of funds in that Category. The returns assume reinvestment of dividends and do not reflect any applicable sales charge. Absent expense limitation, total return would be less. Morningstar Percentile Rankings are the Fund's total return rank relative to all funds in the same Morningstar category, where 1 is the highest percentile and 100 is the lowest percentile.

Morningstar Percentile Rankings are based on the average annual total returns of the funds in the category for the periods stated. They do not include sales charges or redemption fees but do include operating expenses and the reinvestment of dividends and capital gains distributions. Share class rankings vary due to different expenses. If sales charges or redemption fees were included, total returns would be lower.

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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.

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