

Share Class <b>Symbol</b>	<b>A</b> <b>INTAX</b>	Advisor <b>CATRX</b>	<b>C</b> <b>RTCEX</b>	Institutional <b>CATZX</b>	Institutional 2 <b>CADNX</b>	Institutional 3 <b>CATYX</b>
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### 10-Year Morningstar Rating™



The Morningstar Rating is for the indicated share classes only as of 12/31/23; other classes may have different performance characteristics. The Morningstar ratings for the overall, three-, five- and ten-year periods for Class A shares are 3 stars, 2 stars, 2 stars and 3 stars and for Institutional Class shares are 3 stars, 2 stars, 3 stars and 4 stars among 163, 163, 153 and 113 Muni National Long funds respectively, and are based on a Morningstar Risk-Adjusted Return measure.

The municipal market experienced a significant performance rebound in the quarter, and the fund's exposure to longer duration bonds drove the fund's outperformance.

### Fund strategy

- Invests opportunistically along the yield curve and credit spectrum, with the goal of optimizing performance and mitigating downside risk
- Aims to deliver a high level of tax-exempt income in all market environments
- Uses rigorous fundamental credit research and bottom-up security selection to identify potential risks and uncover attractive, undervalued investment opportunities across issuers, sectors, credit qualities and geographic locations

### Expense ratio

Share class	No waiver (gross)	With waiver (net)
Institutional	0.55%	0.50%
A	0.80%	0.75%

From the fund's most recent prospectus. 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.

## Columbia Strategic Municipal Income Fund

### Fund performance

- Institutional Class shares of Columbia Strategic Municipal Income Fund returned 10.20% for the three months ending December 31, 2023. For monthly performance information, please check online at [columbiathreadneedleus.com](http://columbiathreadneedleus.com).
- The fund's benchmark, the Bloomberg Municipal Bond Index, returned 7.89% for the same period.
- The fund outperformed its benchmark for the quarter, with its longer duration profile the major contributor to performance. (Duration is a measure of a bond's sensitivity to changes in interest rates.)

### Market overview

The municipal bond market experienced a significant rally in the fourth quarter. Through mid-October, the bond market had been headed for its second-worst year since 1978 (as proxied by the Bloomberg Municipal Bond Index) and was on track to finish the year in negative territory. With the fourth-quarter rally, 2023 was one of the better years since the Great Financial Crisis. The Bloomberg Municipal Bond Index finished the quarter up 7.89%. This brought the calendar year return to 6.40%, while the Bloomberg Municipal High Yield Index finished the year up 9.21%. The best performing investment-grade sectors included resource recovery, leasing and health care, while the strongest performing high-yield sectors were state general obligation, transportation and special tax-backed bonds.

Inflation continued to decline toward the Federal Reserve's 2% target. Core PCE, the Fed's favored inflation measure, stood at 3.2% in its latest release, down from a pace of 5.1% the year prior. There is good reason to forecast continued declines based on broader indications of rent, used car prices and wage data. The rate over the last six months is on pace to undershoot the Fed's 2% target. This data forced the Fed to make large downward revisions to its own inflation forecasts, which are still conservative. There was unease in the market as to whether the Fed would acknowledge this progress with additional

### Average annual total returns (%) for period ending December 31, 2023

Columbia Strategic Municipal Income Fund	3-mon.	1-year	3-year	5-year	10-year
Institutional Class <sup>1</sup>	10.20	8.45	-1.42	1.90	3.46
Class A without sales charge	10.20	8.24	-1.66	1.63	3.20
Class A with 3.00% maximum sales charge	6.87	4.97	-2.65	1.02	2.88
Bloomberg Municipal Bond Index	7.89	6.40	-0.40	2.25	3.03
Bloomberg Municipal High Yield Index	9.21	9.21	0.75	3.49	5.00

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 [columbiathreadneedleus.com](http://columbiathreadneedleus.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.

**Credit Quality (%)  
as of December 31, 2023**

**Columbia Strategic Municipal Income Fund**

AAA	6.0
AA	21.5
A	34.6
BBB	15.1
BB	5.0
B	0.1
Cash and Equivalents	0.2
Non-rated	17.5

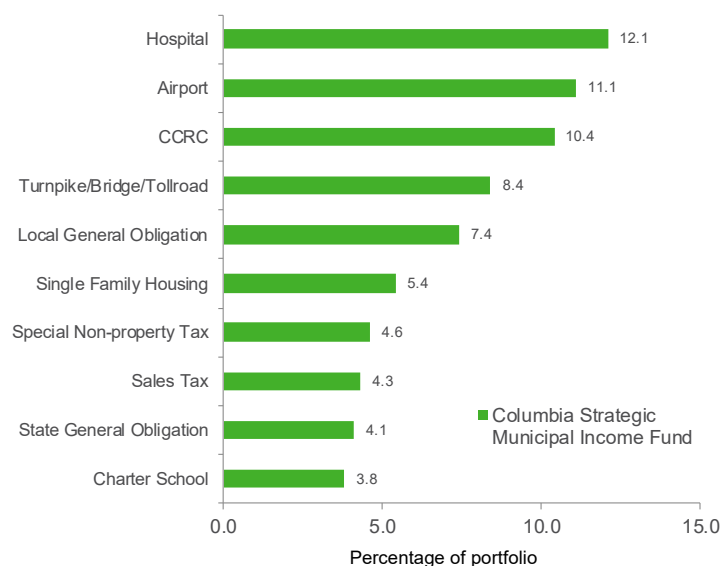
Third-party rating agencies provide bond ratings ranging from AAA (highest) to D (lowest). When three ratings are available from Moody's, S&P and Fitch, the middle rating is used. When two are available, the lower rating is used. If only one is available, that rating is used. If a security is Not Rated 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.

forecasted rate cuts in 2024, especially given the loosening in financial conditions that had occurred in November and December. In the end, the Fed added one additional rate cut to its forecast. As of year end, market expectations showed six cuts in 2024, beginning in March.

Municipal supply for the year was approximately \$376 billion, 4% lower than the prior year. Supply, particularly high yield, lacked and helped keep spreads tighter than their longer term averages. Regarding flows, municipal funds experienced negative flows for the second consecutive year, ending the year with \$15 billion in outflows. While negative, this was significantly less than the record \$120 billion of outflows in 2022.

**Top Sector weights (%) as of December 31, 2023**



Source: PERFORM

**Quarterly portfolio recap**

With the volatility surrounding rates, the team employed a Treasury hedge position early in the quarter, which was a positive contributor to returns. As the market rallied, our longer duration posture was a significant contributor to returns, specifically an overweight to the 15- to 20-year portion of the curve and an allocation to 0% and 4% coupon structures, which are more interest-rate-sensitive. Detracting from returns for the quarter was an underweight to the 10- to 15-year part of the yield curve, along with an overweight in maturities 20 years and longer. Regarding sectors, an overweight to charter schools and continuing care retirement communities (CCRCs) were positive contributors, while an underweight to local general obligation bonds (GOs) and overweights to airports and housing detracted. Additionally, security selection in housing, special tax and hospital bonds was positive, while selection in airports, charter schools and CCRCs negatively affected performance. An underweight to AA and overweights to BBB and nonrated bonds contributed positively to returns, while an overweight to bonds rated BB detracted.

**Columbia Strategic  
Municipal Income Fund**

**Top holdings (% of net assets):  
as of December 31, 2023**

OH Buckeye Tob Settlement Fing 5.000 06/01/2055	1.79
PR Sales Tax Restructured Cofina 0.000 07/01/2046	1.58
MI St Trunk Line 5.250 11/15/2049	1.35
IL Chicago Ohare Intl Arpt Amt 5.000 01/01/2055	1.27
PR Sales Tax Restructured Cofina 5.000 07/01/2058	1.22
TX NTE Segment 3c Proj Toll Rd Amt 5.000 06/30/2058	1.21
NJ St Econ Dev Auth Rev 5.000 11/01/2052	1.03
SC St Pub Svc Auth 4.000 12/01/2052	1.00
CO St HFA Commonsprit Health 4.000 08/01/2044	0.99
MI Strategic Fund 5.000 12/31/2043	0.95

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.

**Portfolio activity**

The fund was able to capitalize on higher yields throughout the quarter while also reducing lower book-yield positions. We increased exposure to the pre-pay gas sector, with wider spreads offered due to an uptick in supply. We also added exposure to lower quality credits when we found attractive opportunities that met our rigorous credit fundamental criteria. As spreads tightened during the quarter and supply was scarce, we reduced exposure to higher quality, longer duration securities, including local GOs and special non-property tax bonds.

**Outlook**

We expect issuance to increase, particularly as the Federal Reserve extends its pause in the cycle or begins cutting rates. As supply has remained low the past few years, and outflows have persisted, we believe this sets up municipals for a potential strong technical tailwind as investors may start to look to extend out of cash. Municipals are entering the new year from a position of strength with rainy day funds still well above their long-term averages and state budget cuts at very low levels. Our internal credit research team will remain an imperative component of our strategy as the economy begins to slow and spreads widen. This should provide opportunities to lock in higher yields and add lower quality exposure as supply in below-investment-grade has so far kept spreads tighter than their averages.

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## 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 [columbiathreadneedleus.com](http://columbiathreadneedleus.com). Read the prospectus carefully before investing.**

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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.

<sup>1</sup>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](http://columbiathreadneedleus.com/investor/investment-products/mutual-funds/appended-performance)**

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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.

The **Bloomberg Municipal Bond Index** is an unmanaged index considered representative of the broad market for investment-grade municipal bonds. Bonds in the index have remaining maturities of at least one year.

The **Bloomberg Municipal High Yield Index** measures the non-investment-grade and nonrated U.S. dollar-denominated, fixed-rate, tax-exempt bond market within the 50 United States and four other qualifying regions (Washington, D.C.; Puerto Rico; Guam; and the Virgin Islands). The index allows state and local general obligation, revenue, insured, and prerefunded bonds; however, historically the index has been composed of mostly revenue bonds.

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