



ANNUAL REPORT
December 31, 2015



COLUMBIA WANGER FUNDS

Managed by Columbia Wanger Asset Management, LLC

WANGER INTERNATIONAL SELECT

Wanger International Select 2015 Annual Report

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Columbia Wanger Asset Management, LLC (CWAM) is one of the leading global small- and mid-cap equity managers in the United States with over 40 years of small- and mid-cap investment experience. As of December 31, 2015, CWAM managed \$20 billion in assets. CWAM is the investment manager to Wanger USA, Wanger International, Wanger Select and Wanger International Select (together, the Columbia Wanger Funds) and the Columbia Acorn Family of Funds.

An important note: Columbia Wanger Funds are available only through variable annuity contracts and variable life insurance policies issued by participating insurance companies or certain eligible retirement plans. Columbia Wanger Funds are not offered directly to the public and are not available in all contracts, policies or plans. Contact your financial advisor or insurance representative for more information. Columbia Wanger Funds are distributed by Columbia Management Investment Distributors, Inc., member FINRA, and are managed by CWAM.

Investors should carefully consider investment objectives, risks and expenses of the Fund before investing. For variable fund and variable contract prospectuses, which contain this and other important information, including the fees and expenses imposed under your contract, investors should contact their financial advisor or insurance representative. Read the prospectus for the Fund and your variable contract carefully before investing.

The views expressed in “Behavioral Economics” and in the Performance Review reflect the current views of the respective authors. These views are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict, so actual outcomes and results may differ significantly from the views expressed. These views are subject to change at any time based upon economic, market or other conditions and the respective parties disclaim any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Columbia Wanger Fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any particular Columbia Wanger Fund. References to specific company securities should not be construed as a recommendation or investment advice.

Understanding Your Expenses

As a shareholder, you incur three types of costs. There are transaction costs, which generally include sales charges on purchases and may include redemption fees. There are also ongoing costs, which generally include management fees and other expenses for Wanger International Select (the Fund). Lastly, there may be additional fees or charges imposed by the insurance company that sponsors your variable annuity and/or variable life insurance product. The following information is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to help you compare these costs with the ongoing costs of investing in other mutual funds.

Analyzing your Fund's expenses

To illustrate these ongoing costs, we have provided an example and calculated the expenses paid by investors in the Fund during the period. The actual and hypothetical information in the table below is based on an initial investment of \$1,000 at the beginning of the period indicated and held for the entire period. Expense information is calculated two ways and each method provides you with different information. The amount listed in the "Actual" column is calculated using the Fund's actual operating expenses and total return for the period. You may use the Actual information, together with the amount invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the results by the expenses paid during the period under the Actual column. The amount listed in the "Hypothetical" column assumes a 5% annual rate of return before expenses (which is not the Fund's actual return) and then applies the Fund's actual expense ratio for the period to the hypothetical return. You should not use the hypothetical account values and expenses to estimate either your actual account balance at the end of the period or the expenses you paid during the period. See "Compare with other funds" below for details on how to use the hypothetical data.

Compare with other funds

Since all mutual funds are required to include the same hypothetical calculations about expenses in shareholder reports, you can use this information to compare the ongoing cost of investing in the Fund with other funds. To do so, compare the hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds. As you compare hypothetical examples of other funds, it is important to note that hypothetical examples are meant to highlight the ongoing cost of investing in a fund only and do not reflect any transaction costs, such as sales charges, redemption or exchange fees. Therefore, the hypothetical calculations are useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. If transaction costs were included in these calculations, your costs would be higher.

July 1, 2015 - December 31, 2015

	Account value at the beginning of the period (\$)		Account value at the end of the period (\$)		Expenses paid during period (\$)		Fund's annualized expense ratio (%)*
	Actual	Hypothetical	Actual	Hypothetical	Actual	Hypothetical	
Wanger International Select	1,000.00	1,000.00	953.10	1,017.90	7.14	7.37	1.45

* Expenses paid during the period are equal to the Fund's annualized expense ratio, multiplied by the average account value over the period, then multiplied by the number of days in the Fund's most recent fiscal half-year and divided by 365.

Had the investment manager and/or certain of its affiliates not waived/reimbursed certain fees and expenses, account value at the end of the period would have been reduced. See Note 4 to the Financial Statements.

It is important to note that the expense amounts shown in the table are meant to highlight only ongoing costs of investing in the Fund. Expenses paid during the period do not include any insurance charges imposed by your insurance company's separate account. The hypothetical example provided is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds whose shareholders may incur transaction costs.

Behavioral Economics

People Occasionally Behave Irrationally

Economists have traditionally assumed that people rationally optimize in their own self-interest. A free-market economy dominated by “homo economicus” prospers as producers of goods and services trade with each other, as if driven by an invisible hand. In the past few decades, however, behavioral economics has emerged, refuting the rational optimization assumption. Nobel Prize winning Princeton professor Daniel Kahneman’s book *Thinking, Fast and Slow* explains the habits and biases that cause people to make predictable errors.

Illustrating that people tend to make quick, intuitive decisions rather than well thought out ones, Kahneman asked Ivy League students the following question: A bat and a ball cost \$1.10. The bat costs \$1.00 more than the ball. How much does the ball cost? Over half of students answered \$0.10, though the correct answer is \$0.05.

Kahneman also points out that people generally have a *confirmation bias*.¹ Good scientific method calls for people to test a hypothesis by attempting to refute it, but instead people seek data that confirms their beliefs. We would rather keep our beliefs than seriously analyze and challenge them.

Individuals also exhibit an *anchoring effect*. Kahneman and his associate Amos Tversky devised several experiments that first provided a high or low number (from a rigged “wheel of fortune” or in a text) and then asked for best-guess estimates for unrelated data. Subjects who were provided high numbers gave high estimates and vice versa. People tend to “anchor” on an initial number provided and then move toward an unbiased estimate. When the Exploratorium Museum in San Francisco polled visitors about contributing to a particular cause without providing a suggested contribution amount, visitors on average said they would donate \$64. When \$5 was suggested as a donation, the average response was \$20, and when \$400 was suggested, the average jumped to \$143.² It seems as though many charities understand the anchoring effect.

Kahneman identified an *availability bias*. People base their knowledge, opinions and actions on small samples of information readily available to them. Estimates of causes of death are warped by media coverage. For example, strokes cause almost twice as many deaths as all accidents combined, but 80% of respondents said accidental deaths were more likely.³

Kahneman and Tversky did many behavioral studies, and their largest contribution to behavioral economics is their work on decision making in risky situations. Subjects were asked to make the following two choices concurrently:

Choose between:

- A. a sure gain of \$240
- B. 25% chance to win \$1,000 and a 75% chance to gain nothing

Choose between:

- C. a sure loss of \$750
- D. 75% chance to lose \$1,000 and a 25% chance to lose nothing

People are *risk averse* with respect to gains; 84% of subjects chose A, accepting a lower expected value than B.⁴ However, people are *risk seeking* with respect to losses. People hate to lose and will take a chance of a greater loss in exchange for a chance not to lose; 87% chose D.⁵

Despite the instructions, subjects appeared to make these choices sequentially rather than concurrently. They *framed* the exercise as two separate choices. Choosing A and D provides a net result of a 75% chance to lose \$760 and a 25% chance of gaining \$240. People solving the problems concurrently and rationally would have chosen C and B, which provides a net result of a 75% chance to lose \$750 and a 25% chance to gain \$250. Choosing C and B together results in the same odds, yet \$10 more under either scenario.

Given our biases, how a choice is framed heavily influences our decisions. Would you accept a gamble that offers a 10% chance to win \$95 and a 90% chance to lose \$5? Would you pay \$5 to participate in a lottery that offers a 10% chance to win \$100 and a 90% chance to win nothing?

Many more people accept the second opportunity than the first, even though the choices are identical. The first clearly frames the \$5 as a loss, while the second suggests the \$5 is a *sunk cost*.⁶

Kahneman and Tversky also did a study to determine values people assign to probabilities, what they called decision weights. People provided zero value to a zero probability and a value of 100 to a sure thing, but the values in between were interesting:⁷

Probability	1%	10%	50%	90%	99%
Decision Weight	5.5	18.6	42.1	71.2	91.2

What the data shows is that people are often willing to overpay for small probabilities, a tendency known as the *possibility effect*. That is why lotteries exist. Yet people underpay relatively more for large but not certain probabilities. To eliminate those last bits of uncertainty, people are willing to pay a lot, a tendency known as the *certainty effect*.

Richard Thaler, a University of Chicago professor of behavioral science and economics, worked with Kahneman and Tversky on several studies. Jointly, they defined the *endowment effect*, which states that once someone owns something, he tends to place an irrationally high value on it. Thaler and Kahneman experimented by giving some subjects coffee mugs decorated with university insignia. Participants were asked to provide the prices at which they would sell. Other subjects were not given mugs and were asked what prices they would bid for the mugs. The average selling price was about double the average buying price!⁸

Thaler agrees with Kahneman’s findings that people are *risk seeking* with respect to losses, both prospectively and retrospectively. People who are losing money at a racetrack tend to bet on longshots for the last race of the day, hoping to recoup losses, effectively driving the expected return of the last race even more against them!⁹ Financial institutions need to watch losing traders very closely, as rogue traders repeatedly double down in hopes of recouping losses.

Thaler's work indicates that people create mental accounts, treating some money differently depending on its intended use. Cash accounts are for spending, other funds are for savings, and retirement accounts are sacrosanct.¹⁰ People may borrow at high interest rates on their charge cards while receiving low interest rates on savings, which appears irrational.

Thaler notes that Economics 101 classes typically teach that prices should rationally rise when there is an unanticipated increase in demand. I remember learning that it would be rational for merchants to raise the price of snow shovels after a blizzard and plywood before a hurricane. The products would be rationed by price to those most in need and capable of paying, and additional revenues would induce costly special increases in supply. Thaler's work, however, indicates that most people would consider such increases as unfair price gouging, and would later penalize those merchants.

Policy Implications

Public policies are often impacted by people's emotional reaction under the *availability bias*. Former Administrator of the White House Office of Information and Regulatory Affairs, Cass Sunstein, has analyzed resulting regulations and notes that poor regulations waste time and money. Rational weighting of costs and benefits would result in better regulations and improved outcomes.¹¹

Kahneman points out that as an extension of the *possibility effect*, people tend to be confounded by exceptionally small probabilities,¹² and either ignore them or give them way too much attention. The *precautionary principle*, which prohibits any action that might cause harm, is the result. Sunstein believes that many innovations including airplanes, antibiotics, automobiles, chlorination, vaccinations and x-rays would have not passed strict interpretation of the precautionary principle.¹³

Thaler's work explains one of the reasons why policy makers prefer modest inflation. People consider outright wage cuts as unfair, even when unemployment is high and the employer is

earning only a small profit. But a flat wage when there is inflation is not considered unfair, even though real wages drop.¹⁴ Therefore, the economy can more easily rationalize costs in a recession with some inflation rather than none.

Thaler devised a plan to induce people to contribute more to 401K plans called "Save More Tomorrow." Many people don't contribute to their 401K plan because that would mean an immediate take-home pay cut, frowned on by the *endowment effect*. Instead, the plan has people sign up now to contribute upon their next raise in pay. They then forgo some or the entire raise, but save for retirement without taking a pay cut. Employees of the first company that adopted the plan nearly quadrupled their savings rate after four annual raises.¹⁵

Thaler and Sunstein's book *Nudge* cites numerous ways that individuals can be "nudged" to make better decisions. For example, default options are considered standard and most people don't extend the effort to make a different choice. Germans need to opt in for organ donations, and only 12% do. Austrians need to opt out of organ donations, and 99% allow their organs to be donated.¹⁶

Investment Implications

Kahneman notes that experienced traders in financial markets tend to more rationally deal with *risk aversion* than individual investors. Most people weight losses twice as much as gains,¹⁷ and if each transaction is *framed* individually, *irrational risk aversion* results. By framing gains and losses over longer periods rather than individually, traders can accept individual rational risks. To mitigate this bias, Kahneman suggests that individual investors view the market prices of their investments less frequently.¹⁸

Thaler agrees, as he conducted an experiment simulating *endowment management*. Some subjects were shown results eight times per simulated calendar year, while others were shown results once per simulated year. Those seeing results more frequently chose to invest 41% in stocks and those seeing results just

once a year had 70% in stocks.¹⁹ *Myopic risk aversion* helps explain why stocks provided a 7% premium compound rate of return over risk-free securities for the last two centuries,²⁰ a huge premium that cannot be otherwise explained by economic theory.²¹

Individuals tend to be terrible stock traders. One study indicated that stocks sold by individuals outperformed stocks they bought by 3.2% per year, before transactions costs. Individual investors tend to sell winners even though recent winners on average outperform recent losers in the short term. Individuals tend to keep losers, as they are averse to taking losses and have *anchored* on purchase prices as target sale prices for losers.²² Losers on average underperform in the short term.²³

Mental accounts result in the *house money effect* for gamblers and investors. People are more prone to lose their *risk aversion* on gains when they are ahead. This can result in gamblers not knowing when to quit, and investors creating bubbles.²⁴

Humans, including many professional money managers, seem to be hard wired to invest poorly, to "buy high and sell low." Behavioral economics helps explain why. One solution to offset this tendency is to own Columbia Thermostat Fund, which takes emotions out of investing and automatically invests more in stocks when the market drops and automatically sells stocks when the market rises.²⁵



Charles P. McQuaid

Charles P. McQuaid
Portfolio Manager, Analyst and Advisor
Columbia Wanger Asset Management, LLC

The information and data provided in this analysis are derived from sources that we deem to be reliable and accurate. These views are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict so actual outcomes and results may differ significantly from the views expressed. The views/opinions expressed here are those of the author and not of the Wanger Advisors Trust Board of Trustees, are subject to change at any time based upon economic, market or other conditions, may differ from views expressed by other Columbia Management associates and the respective parties disclaim any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Columbia Wanger Fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any particular Columbia Wanger Fund.

The author would like to thank Colin Moore, Global Chief Investment Officer of Columbia Threadneedle Investments, for suggesting *Beyond Greed and Fear*, which summarizes behavioral economics for investors. He would also like to thank recently retired Wanger Advisors Trust Chief Compliance Officer Robert Scales for suggesting *Thinking, Fast and Slow*.

- 1 Daniel Kahneman, *Thinking, Fast and Slow* (New York, Farrar, Straus and Giroux, 2011), p. 81.
- 2 Ibid., p. 125.
- 3 Ibid., p. 138.
- 4 Expected value is the sum of probabilities times dollars.
- 5 Kahneman, op. cit., p. 437.
- 6 Ibid., p. 364.
- 7 Ibid., p. 315.
- 8 Ibid., p. 295.
- 9 Richard H. Thaler, *Misbehaving: The Making of Behavioral Economics* (New York, W. W. Norton & Company, Inc., 2015), p. 80.
- 10 Ibid., p. 76.
- 11 Kahneman, op. cit., p. 141.
- 12 Somehow this one is not labelled as a particular *bias* or *effect*.
- 13 Kahneman, op. cit., p. 351.
- 14 Thaler, op. cit., p. 132.
- 15 Ibid., p. 318.
- 16 Richard H. Thaler and Cass R. Sunstein, *Nudge: Improving Decisions About Health, Wealth, and Happiness* (New Haven, Connecticut, Yale University Press, 2008), p. 178-179.
- 17 Kahneman, op. cit., p. 349.
- 18 Ibid., p. 339.
- 19 Thaler, op. cit., p. 197.
- 20 Hersh Shefrin, *Beyond Greed and Fear: Understanding Behavioral Finance and the Psychology of Investing* (New York, Oxford University Press, 2002), p. 37.
- 21 Thaler, op. cit., p. 192.
- 22 In *Beyond Greed and Fear*, Shefrin labels this as "Get-evenitis."
- 23 Kahneman, op. cit., p. 213-214.
- 24 Thaler, op. cit., p. 83.
- 25 If interested, please see Columbia Thermostat Fund's prospectus, which can be found at columbiathreadneedle.com/us.

Performance Review Wanger International Select



Stephen Kusmierczak
Co-Portfolio Manager*

Market risk may affect a single issuer, sector of the economy, industry or the market as a whole.

Foreign investments subject the Fund to political, economic, market, social and other risks within a particular country, as well as to potential currency instabilities and less stringent financial and accounting standards generally applicable to U.S. issuers. Risks are enhanced for **emerging market** issuers. Investments in **small- and mid-cap** companies involve risks and volatility and possible illiquidity greater than investments in larger, more established companies. The Fund may invest significantly in issuers within a particular **sector**, which may be negatively affected by market, economic or other conditions, making the Fund more vulnerable to unfavorable developments in the sector.



Andreas Waldburg-Wolfegg
Co-Portfolio Manager

Wanger International Select ended the year down 1.03%, underperforming the 3.96% gain of the Fund's primary benchmark, the S&P Developed Ex-U.S.

Between \$2B and \$10B[®] Index. Fund underperformance for the year was largely due to poor relative performance in the financials and materials sectors. Over the course of the year, we reduced Fund exposure in each sector.

We also repositioned the Fund to be more mid- to large-cap oriented during the year. As we reviewed Fund holdings and added new positions to the Fund, we focused on names that have a market capitalization of \$5 billion or more. While there is overlap between the Fund's holdings and Wanger International, another mid-cap international fund that we manage, Wanger International Select has substantially fewer holdings and is more concentrated.

Three Japanese stocks ranked among the top-contributing names in the Fund for the year. Japanese markets outperformed most world markets, as loosening monetary policy and improving corporate governance proved relatively attractive amidst a slowing global economy. KDDI, a mobile and fixed-line communication service provider in Japan, gained 27% for the year and Secom, a provider of security services, was up 20%. Both KDDI and Secom have enjoyed steady growth, as their businesses are not affected by the global economic slowdown. Japan Tobacco, a maker of cigarettes, gained 37%. Japan Tobacco's profit growth exceeded expectations, as strong pricing power offset market fears of volume contraction.

On the downside, laggards for the year came largely from the materials, energy and financial sectors. Weak gold and oil prices were to blame for much of the material and energy sector declines. Gold miners Tahoe Resources and Goldcorp were sold in the second half of the year but ranked among the Fund's largest detractors for the annual period with losses of 41% and 31%, respectively. Oil exploration and production companies Vermillion Energy and Anadarko Petroleum were added to the Fund in the year and both traded down with the dramatic fall in oil prices, ending the year among the Fund's largest detractors. We bought these stocks because we believe they are well-positioned to benefit when oil prices return to

levels closer to their long-term averages and the world's cost of production. In the financial sector, we sold the Fund's position in Coronation Fund Managers, a South African investment manager, as poor performance and asset outflows significantly reduced the firm's performance-based fees. Down 48%, its stock was a top detractor for the year.

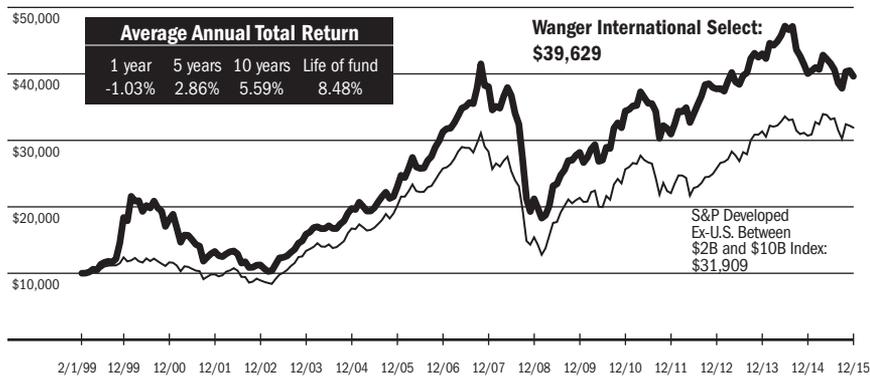
As announced in a supplement to the Fund's prospectus dated February 5, 2016, the Board of Trustees of Wanger Advisors Trust approved a plan to liquidate and dissolve Wanger International Select on or about April 29, 2016. The Board of Trustees believes that the liquidation and dissolution of the Fund are in the best interest of the Fund and its shareholders. As of the liquidation date, the Fund will cease its investment operations and liquidate its assets in order to make final distributions to shareholders of record as of that date.

Owners of the variable annuity contracts and variable life insurance policies offered by the participating insurance companies whose separate accounts are invested in the Fund should consult with their participating insurance company for information regarding the possibility of transferring their investment to other Columbia Wanger Funds and the redirection of their assets that will occur on or about the liquidation date. The liquidation and dissolution of the Fund may be postponed or abandoned by action of the Board of Trustees at any time prior to the liquidation date.

**Effective January 1, 2016, Stephen Kusmierczak replaced Christopher J. Olson as co-portfolio manager of Wanger International Select. Mr. Waldburg-Wolfegg continues in his role as co-portfolio manager of the Fund. Mr. Kusmierczak also serves as co-portfolio manager of several of the Columbia Acorn Funds. Mr. Kusmierczak did not serve as a portfolio manager of the Fund during 2015.*

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.

Growth of a \$10,000 Investment in Wanger International Select February 1, 1999 (inception date) through December 31, 2015



Performance data shown represents past performance and is not a guarantee of future results. The investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance data shown. Performance results reflect any fee waivers or reimbursements of Fund expenses by the investment manager and/or any of its affiliates. Absent these fee waivers and/or expense reimbursement arrangements, performance results would have been lower. For most recent month-end performance updates, please visit columbiathreadneedle.com/us.

This graph compares the results of \$10,000 invested in Wanger International Select on February 1, 1999 (the date the Fund began operations) through December 31, 2015, to the S&P Developed Ex-U.S. Between \$2B and \$10B Index, with dividends and capital gains reinvested. Although the index is provided for use in assessing the Fund's performance, the Fund's holdings may differ significantly from those in the index.

Top 10 Holdings

As a percentage of net assets, as of 12/31/15

1. CCL Industries (Canada) <i>Global Label Converter</i>	4.1%
2. Novozymes (Denmark) <i>Industrial Enzymes</i>	3.8
3. Recruit Holdings (Japan) <i>Recruitment & Media Services</i>	3.3
4. Partners Group (Switzerland) <i>Private Markets Asset Management</i>	3.0
5. Sony Financial Holdings (Japan) <i>Life Insurance, Assurance & Internet Banking</i>	3.0
6. Distribuidora Internacional de Alimentación (Spain) <i>Discount Retailer in Spain & Latin America</i>	2.9
7. Telefonica Deutschland (Germany) <i>Mobile & Fixed-line Communications in Germany</i>	2.9
8. WH Smith (United Kingdom) <i>Newsprint, Books & General Stationery Retailer</i>	2.8
9. Wirecard (Germany) <i>Online Payment Processing & Risk Management</i>	2.5
10. Anadarko Petroleum (United States) <i>Worldwide Production of Oil & Gas</i>	2.2

Top holdings exclude short-term holdings and cash, if applicable.

Top 5 Countries

As a percentage of net assets, as of 12/31/15

Japan	18.2%
United Kingdom	10.9
Germany	7.4
Canada	6.2
Sweden	5.1

Results as of December 31, 2015

	4th quarter*	1 year	5 years	10 years
Wanger International Select	4.77%	-1.03%	2.86%	5.59%
S&P Developed Ex-U.S.				
Between \$2B and \$10B Index**	5.52	3.96	4.46	4.71
MSCI EAFE Index (Net)	4.71	-0.81	3.60	3.03

NAV as of 12/31/15: \$16.40

* Not annualized.

** The Fund's primary benchmark as of December 31, 2015. Effective January 1, 2016, the primary benchmark for Wanger International Select was changed to the MSCI ACWI Ex USA Index (Net).

Performance numbers reflect all Fund expenses but do not include any fees and expenses imposed under your variable annuity contract or life insurance policy or qualified pension or retirement plan. If performance numbers included the effect of these additional charges, they would be lower.

The Fund's annual operating expense ratio of 1.43% is stated as of the Fund's prospectus dated May 1, 2015, and differences in expense ratios disclosed elsewhere in this report may result from including fee waivers and/or expense reimbursements as well as different time periods used in calculating the ratios.

All results shown assume reinvestment of distributions.

The S&P Developed Ex-U.S. Between \$2B and \$10B Index is a subset of the broad market selected by the index sponsor representing the mid-cap developed market, excluding the United States. The MSCI Europe, Australasia, Far East (EAFE) Index (Net) is a capitalization-weighted index that tracks the total return of common stocks in 21 developed-market countries within Europe, Australasia and the Far East. The returns of the MSCI EAFE Index (Net) are presented net of the withholding tax rate applicable to foreign non-resident institutional investors in the foreign companies included in the index who do not benefit from double taxation treaties. The performance of the MSCI EAFE Index (Net) is provided to show how the Fund's performance compares to a widely recognized broad-based index of foreign market performance. Indexes are not managed and do not incur fees or expenses. It is not possible to invest directly in an index.

Portfolio characteristics and holdings are subject to change periodically and may not be representative of current characteristics and holdings.

Wanger International Select

Statement of Investments, December 31, 2015

Number of Shares		Value
Equities - 88.8%		
Europe - 40.1%		
United Kingdom - 10.9%		
19,000	WH Smith <i>Newsprint, Books & General Stationery Retailer</i>	\$493,695
24,000	Babcock International <i>Public Sector Outsourcer</i>	359,164
20,000	Smith & Nephew <i>Medical Equipment & Supplies</i>	356,441
5,000	Whitbread <i>UK Hotelier & Coffee Shop</i>	324,083
2,000	Next <i>Clothes & Home Retailer in the UK</i>	214,742
11,000	Compass Group <i>Catering & Support Services</i>	190,610
		1,938,735
Germany - 7.4%		
96,900	Telefonica Deutschland <i>Mobile & Fixed-line Communications in Germany</i>	511,117
9,000	Wirecard <i>Online Payment Processing & Risk Management</i>	449,865
3,700	MTU Aero Engines <i>Airplane Engine Components & Services</i>	360,621
		1,321,603
Sweden - 5.1%		
10,000	Hennes & Mauritz <i>Discount Fashion Retailer</i>	355,703
9,906	Swedish Match <i>Swedish Snus</i>	350,052
5,270	Hexagon <i>Design, Measurement & Visualization Software & Equipment</i>	194,952
		900,707
Switzerland - 5.0%		
1,500	Partners Group (a) <i>Private Markets Asset Management</i>	539,451
1,060	Geberit <i>Plumbing Systems</i>	359,025
		898,476
Denmark - 3.8%		
14,121	Novozymes <i>Industrial Enzymes</i>	676,098

Number of Shares		Value
Spain - 2.9%		
87,000	Distribuidora Internacional de Alimentación <i>Discount Retailer in Spain & Latin America</i>	\$513,134
France - 2.8%		
12,427	Eutelsat <i>Fixed Satellite Services</i>	372,070
1,000	Essilor International <i>Eyeglass Lenses</i>	124,636
		496,706
Netherlands - 2.2%		
9,000	Vopak <i>Operator of Petroleum & Chemical Storage Terminals</i>	387,583
		7,133,042
Asia - 33.9%		
Japan - 18.2%		
20,100	Recruit Holdings <i>Recruitment & Media Services</i>	590,815
30,000	Sony Financial Holdings <i>Life Insurance, Assurance & Internet Banking</i>	536,617
5,500	Secom <i>Security Services</i>	372,734
10,000	Japan Tobacco <i>Cigarettes</i>	367,138
14,000	KDDI <i>Mobile & Fixed Line Communication Service Provider in Japan</i>	363,583
21,000	Santen Pharmaceutical <i>Specialty Pharma (Ophthalmic Medicine)</i>	345,732
20,000	Aeon Mall <i>Suburban Shopping Mall Developer, Owner & Operator</i>	343,042
8,000	Hoya Corp <i>Opto-electrical Components & Eyeglass Lenses</i>	327,140
		3,246,801
Korea - 4.4%		
2,900	KT&G <i>Tobacco & Ginseng Products</i>	257,709
1,108	CJ Corp <i>Holding Company of Korean Consumer Conglomerate</i>	235,347

See accompanying notes to financial statements.

Wanger International Select

Number of Shares		Value
Korea – 4.4% (cont)		
700	Samsung Fire and Marine	\$182,985
665	Samsung Fire & Marine Preferred Non-life Insurance	106,768
		782,809
Taiwan – 3.9%		
170,000	Far EastOne Telecom Mobile Operator in Taiwan	349,385
5,000	Largan Precision Mobile Device Camera Lenses & Modules	342,124
		691,509
China – 3.8%		
2,000	NetEase.com – ADR Chinese Online Gaming Services	362,480
240,000	China Everbright International Municipal Waste Operator	306,883
		669,363
Singapore – 2.0%		
67,000	Singapore Exchange Singapore Equity & Derivatives Market Operator	362,364
Hong Kong – 1.6%		
11,245	Hong Kong Exchanges and Clearing Hong Kong Equity & Derivatives Market Operator	286,464
		Total Asia 6,039,310
Other Countries – 14.4%		
Canada – 6.2%		
4,500	CCL Industries Global Label Converter	729,685
14,000	Vermilion Energy (a) Canadian Exploration & Production Company	380,530
		1,110,215
Australia – 4.1%		
38,000	Ancor Global Leader in Flexible & Rigid Packaging	369,179
91,035	IAG General Insurance Provider	365,598
		734,777

Statement of Investments, December 31, 2015

Number of Shares		Value
United States – 2.2%		
8,000	Anadarko Petroleum Worldwide Production of Oil & Gas	\$388,640
South Africa – 1.9%		
2,400	Naspers Media in Africa, China, Russia & other Emerging Markets	328,043
Total Other Countries		2,561,675
Latin America – 0.4%		
Uruguay – 0.4%		
13,068	Union Agriculture Group (b) (c) (d) Farmland Operator in Uruguay	66,385
Total Latin America		66,385
Total Equities		
(Cost: \$14,180,668) – 88.8%		15,800,412(e)
Short-Term Investments – 11.4%		
2,029,382	JPMorgan U.S. Government Money Market Fund, IM Shares (7 day yield of 0.01%)	2,029,382
Total Short-Term Investments		2,029,382
(Cost: \$2,029,382) – 11.4%		
Securities Lending Collateral – 2.4%		
424,733	Dreyfus Government Cash Management Fund, Institutional Shares (7 day yield of 0.03%) (f)	424,733
Total Securities Lending Collateral		424,733
(Cost: \$424,733) – 2.4%		
Total Investments		
(Cost: \$16,634,783) (g) – 102.6%		18,254,527
Obligation to Return Collateral for Securities Loaned – (2.4)%		(424,733)
Cash and Other Assets Less Liabilities – (0.2)%		(34,454)
Net Assets – 100.0%		\$17,795,340
ADR – American Depositary Receipts		

See accompanying notes to financial statements.

Wanger International Select

Statement of Investments, December 31, 2015

Notes to Statement of Investments

- (a) All or a portion of this security was on loan at December 31, 2015. The total market value of securities on loan at December 31, 2015 was \$403,067.
- (b) Non-income producing security.
- (c) Illiquid security.
- (d) Denotes a restricted security, which is subject to restrictions on resale under federal securities laws. This security is valued at fair value determined in good faith under consistently applied procedures established by the Fund's Board of Trustees. At December 31, 2015, the market value of this security amounted to \$66,385, which represented 0.37% of total net assets. Additional information on this security is as follows:

Security	Acquisition Dates	Shares	Cost	Value
Union Agriculture Group	12/8/10 - 6/27/12	13,068	\$150,000	\$66,385

- (e) On December 31, 2015, the Fund's total equity investments were denominated in currencies as follows:

Currency	Value	Percentage of Net Assets
Japanese Yen	\$3,246,801	18.2
Euro	2,719,026	15.3
British Pound	1,938,735	10.9
Canadian Dollar	1,110,215	6.2
Swedish Krona	900,707	5.1
Swiss Franc	898,476	5.1
Other currencies less than 5% of total net assets	4,986,452	28.0
Total Equities	<u>\$15,800,412</u>	<u>88.8</u>

- (f) Investment made with cash collateral received from securities lending activity.
- (g) At December 31, 2015, for federal income tax purposes, the cost of investments was \$16,644,670 and net unrealized appreciation was \$1,609,857 consisting of gross unrealized appreciation of \$2,556,638 and gross unrealized depreciation of \$946,781.

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments, following the input prioritization hierarchy established by accounting principles generally accepted in the United States of America (GAAP). These inputs are summarized in the three broad levels listed below:

- Level 1 - quoted prices in active markets for identical securities
- Level 2 - prices determined using other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others)
- Level 3 - prices determined using significant unobservable inputs where quoted prices or observable inputs are unavailable or less reliable (including management's own assumptions about the factors market participants would use in pricing an investment)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Examples of the types of securities in which the Fund would typically invest and how they are classified within this hierarchy are as follows. Typical Level 1 securities include exchange traded domestic equities, mutual funds whose NAVs are published each day and exchange traded foreign equities that are not statistically fair valued. Typical Level 2 securities include exchange traded foreign equities that are statistically fair valued, forward foreign currency exchange contracts and short-term investments valued at amortized cost. Additionally, securities fair valued by CWAM's Valuation Committee (the Committee) that rely on significant observable inputs are also included in Level 2. Typical Level 3 securities include any security fair valued by the Committee that relies on significant unobservable inputs.

The Committee is responsible for applying the Trust's Portfolio Pricing Policy and the CWAM pricing procedures (the Policies), which are approved by and subject to the oversight of the Board.

The Committee meets as necessary, and no less frequently than quarterly, to determine fair values for securities for which market quotations are not readily available or for which the investment manager believes that available market quotations are unreliable. The Committee also reviews the continuing appropriateness of the Policies. In circumstances where a security has been fair valued, the Committee will also review the continuing appropriateness of the current value of the security. The Policies address, among other things: circumstances under which market quotations will be deemed readily available; selection of third party pricing vendors; appropriate pricing methodologies; events that require fair valuation and fair value techniques; circumstances under which securities will be deemed to pose a potential for stale pricing, including when securities are illiquid, restricted, or in default; and certain delegations of authority to determine fair values to the Fund's investment manager. The Committee may also meet to discuss additional valuation matters, which may include review of back-testing results, review of time-sensitive information or approval of other valuation related actions, and to review the appropriateness of the Policies.

For investments categorized as Level 3, the significant unobservable inputs used in the fair value measurement of the Fund's securities may include: (i) data specific to the issuer or comparable issuers, (ii) general market or specific sector news and (iii) quoted prices and specific or similar security transactions. The Committee considers this data and any changes from prior periods in order to assess the reasonableness of observable and unobservable inputs, any assumptions or internal models used to value those securities and changes in fair value. Significant changes in any of these factors could result in lower or higher fair value measurements. Various factors impact the frequency of monitoring (which may occur as often as daily), however the Committee may determine that changes to inputs, assumptions and models are not required with the same frequency.

Wanger International Select

Statement of Investments, December 31, 2015

The following table summarizes the inputs used, as of December 31, 2015, in valuing the Fund's assets:

Investment Type	Quoted Prices (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Equities				
Europe	\$—	\$7,133,042	\$—	\$7,133,042
Asia	362,480	5,676,830	—	6,039,310
Other Countries	1,498,855	1,062,820	—	2,561,675
Latin America	—	—	66,385	66,385
Total Equities	1,861,335	13,872,692	66,385	15,800,412
Total Short-Term Investments	2,029,382	—	—	2,029,382
Total Securities Lending Collateral	424,733	—	—	424,733
Total Investments	<u>\$4,315,450</u>	<u>\$13,872,692</u>	<u>\$66,385</u>	<u>\$18,254,527</u>

The Fund's assets assigned to the Level 2 input category are generally valued using a market approach, in which a security's value is determined through its correlation to prices and information from observable market transactions for similar or identical assets. Foreign equities are generally valued at the last sale price on the foreign exchange or market on which they trade. The Fund may use a statistical fair valuation model, in accordance with the policy adopted by the Board, provided by an independent third party to value securities principally traded in foreign markets in order to adjust for possible stale pricing that may occur between the close of the foreign exchanges and the time for valuation. These models take into account available market data including intraday index, ADR, and ETF movements.

There were no transfers of financial assets between levels during the period.

The Fund does not hold any significant investments (greater than one percent of net assets) categorized as Level 3.

Certain securities classified as Level 3 are valued by the Committee using a market approach, as determined in good faith under consistently applied procedures established by and under the general supervision of the Board. To determine fair value for these securities, for which no market exists, the Committee utilizes the valuation technique it deems most appropriate in the circumstances, using some unobservable inputs, which may include, but are not limited to estimated earnings of the company and the position of the security within the company's capital structure. The Committee also may use some observable inputs, which may include, but are not limited to, trades of similar securities and market multiples derived from a set of comparable companies. Significant increases or decreases to any of these inputs could result in a significantly lower or higher fair value measurement.

Wanger International Select (Unaudited)**Portfolio Diversification, December 31, 2015**

At December 31, 2015, the Fund's portfolio investments as a percentage of net assets were diversified as follows:

	Value	Percentage of Net Assets		Value	Percentage of Net Assets
Information			Finance		
Financial Processors	\$1,098,694	6.2	Insurance	\$1,191,968	6.7
Mobile Communications	712,968	4.0	Brokerage & Money Management	539,451	3.0
Internet Related	690,522	3.9		1,731,419	9.7
Advertising	590,815	3.3	Energy & Minerals		
Telephone & Data Services	511,117	2.9	Oil & Gas Producers	769,171	4.3
Satellite Broadcasting & Services	372,070	2.1	Oil Refining, Marketing & Distribution	387,583	2.2
Telecommunications Equipment	342,124	1.9	Agricultural Commodities	66,385	0.4
Semiconductors & Related Equipment	327,140	1.8		1,223,139	6.9
Business Software	194,952	1.1	Health Care		
	4,840,402	27.2	Medical Equipment & Devices	481,077	2.7
Consumer Goods & Services			Pharmaceuticals	345,732	2.0
Retail	1,577,274	8.8		826,809	4.7
Nondurables	1,354,532	7.6	Other Industries		
Restaurants	514,693	2.9	Real Estate	343,042	1.9
Food & Beverage	350,052	2.0		343,042	1.9
	3,796,551	21.3	Total Equities:		
Industrial Goods & Services				15,800,412	88.8
Industrial Materials & Specialty Chemicals	1,045,277	5.9	Short-Term Investments:		
Other Industrial Services	733,354	4.1		2,029,382	11.4
Outsourcing Services	359,164	2.0	Securities Lending Collateral:		
Construction	359,025	2.0		424,733	2.4
Waste Management	306,883	1.8	Total Investments:		
Conglomerates	235,347	1.3		18,254,527	102.6
	3,039,050	17.1	Obligation to Return Collateral for Securities Loaned:		
				(424,733)	(2.4)
			Cash and Other Assets		
			Less Liabilities:	(34,454)	(0.2)
			Net Assets:	\$17,795,340	100.0

Statement of Assets and Liabilities December 31, 2015

Assets:	
Investments, at cost	\$16,634,783
Investments, at value (including securities on loan of \$403,067)	\$18,254,527
Foreign currency (cost of \$5)	5
Receivable for:	
Investments sold	334,440
Fund shares sold	7,034
Securities lending income	45
Dividends	20,376
Foreign tax reclaims	10,965
Regulatory Settlements (Note 8)	10,826
Expense reimbursement due from investment advisor	81
Prepaid expenses	291
Total Assets	18,638,590
Liabilities:	
Collateral on securities loaned	424,733
Payable for:	
Investments purchased	351,800
Fund shares redeemed	8,856
Investment advisory fee	461
Administration fee	25
Trustees' fees	10,377
Custody fee	3,249
Reports to shareholders	8,252
Chief compliance officer expenses	170
Other liabilities	35,327
Total Liabilities	843,250
Net Assets	\$17,795,340
Composition of Net Assets:	
Paid-in capital	\$16,941,052
Undistributed net investment income	94,881
Accumulated net realized loss	(858,938)
Net unrealized appreciation (depreciation) on:	
Investments	1,619,744
Foreign currency translations	(1,399)
Net Assets	\$17,795,340
Fund Shares Outstanding	1,085,065
Net asset value, offering price and redemption price per share	\$16.40

Statement of Operations For the Year Ended December 31, 2015

Investment Income:	
Dividends (net foreign taxes withheld of \$36,081)	\$379,665
Interest	27,181
Income from securities lending—net	6,068
Total Investment Income	412,914
Expenses:	
Investment advisory fee	182,489
Transfer agent fees	168
Administration fee	9,707
Trustees' fees	5,163
Custody fees	16,349
Reports to shareholders	41,922
Audit fees	43,578
Legal fees	3,313
Chief compliance officer expenses	880
Commitment fee for line of credit (Note 5)	508
Other expenses	14,705
Total Expenses	318,782
Less reimbursement of expenses by Investment Manager	(37,284)
Net Expenses	281,498
Net Investment Income	131,416
Net Realized and Unrealized Gain (Loss) on Investments:	
Net realized gain (loss) on:	
Investments	(252,313)
Foreign currency translations	(15,294)
Forward foreign currency exchange contracts	83,928
Net realized loss	(183,679)
Net change in unrealized appreciation (depreciation) on:	
Investments	(119,478)
Foreign currency translations	139
Forward foreign currency exchange contracts	6,479
Net change in unrealized depreciation	(112,860)
Net realized and unrealized loss	(296,539)
Net Decrease in Net Assets from Operations	\$(165,123)

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Year Ended December 31,	
	2015	2014
Operations:		
Net investment income	\$131,416	\$257,118
Net realized gain (loss) on:		
Investments	(252,313)	1,432,817
Foreign currency translations	(15,294)	(12,926)
Forward foreign currency exchange contracts	83,928	31,269
Net change in unrealized appreciation (depreciation) on:		
Investments	(119,478)	(3,148,383)
Foreign currency translations	139	(1,653)
Forward foreign currency exchange contracts	6,479	(10,867)
Options	–	(64,830)
Net Decrease in Net Assets from Operations	(165,123)	(1,517,455)
Distributions to Shareholders From:		
Net investment income	(289,467)	(328,166)
Net realized gains	(1,261,912)	(1,083,089)
Total Distributions to Shareholders	(1,551,379)	(1,411,255)
Share Transactions:		
Subscriptions	993,256	2,223,810
Distributions reinvested	1,551,379	1,411,255
Redemptions	(3,409,004)	(5,267,340)
Net Decrease from Share Transactions	(864,369)	(1,632,275)
Proceeds from regulatory settlements (Note 8)	10,826	3,626
Total Decrease in Net Assets	(2,570,045)	(4,557,359)
Net Assets:		
Beginning of period	20,365,385	24,922,744
End of period	\$17,795,340	\$20,365,385
Undistributed (Overdistributed) net investment income	\$94,881	\$(358,209)

Financial Highlights

The following table is intended to help you understand the Fund's financial performance. Certain information reflects financial results for a single share held for the periods shown. Per share net investment income (loss) amounts are calculated based on average shares outstanding during the period. Total return assumes reinvestment of all dividends and distributions, if any. Total return does not reflect payment of the expenses that apply to the variable accounts or contract charges, if any. Total return and portfolio turnover are not annualized for periods of less than one year. The portfolio turnover rate is calculated without regard to purchase and sales transactions of short-term instruments and certain derivatives, if any. If such transactions were included, the Fund's portfolio turnover rate may be higher.

Selected data for a share outstanding throughout each period	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net Asset Value, Beginning of Period	\$17.93	\$20.45	\$19.83	\$16.44	\$18.57
Income from Investment Operations:					
Net investment income	0.12	0.22	0.21	0.29	0.14
Net realized and unrealized gain (loss)	(0.22)	(1.51)	2.37	3.32	(1.99)
Total from Investment Operations	(0.10)	(1.29)	2.58	3.61	(1.85)
Less Distributions to Shareholders:					
Net investment income	(0.27)	(0.29)	(1.22)	(0.22)	(0.28)
Net realized gains	(1.17)	(0.94)	(0.74)	—	—
Total Distributions to Shareholders	(1.44)	(1.23)	(1.96)	(0.22)	(0.28)
Proceeds from regulatory settlements	0.01	0.00(a)	—	—	—
Net Asset Value, End of Period	\$16.40	\$17.93	\$20.45	\$19.83	\$16.44
Total Return	(1.03)%(b)(c)	(6.96)%(c)	14.04%(b)	22.00%	(10.11)%(b)

Ratios to Average Net Assets/Supplemental Data:

Total gross expenses (d)	1.64%	1.42%	1.51%	1.43%	1.45%
Total net expenses (d)	1.45%	1.42%	1.45%	1.42%(e)	1.40%(e)
Net investment income	0.68%	1.06%	1.05%	1.57%	0.77%
Portfolio turnover rate	72%	61%	74%	58%	44%
Net assets, end of period (000s)	\$17,795	\$20,365	\$24,923	\$24,816	\$24,019

Notes to Financial Highlights

(a) Rounds to zero.

(b) Had the Investment Manager and/or its affiliates not waived a portion of expenses, total return would have been reduced.

(c) The Fund received proceeds from regulatory settlements. Had the Fund not received these proceeds, the total return would have been lower by 0.05%.

(d) In addition to the fees and expenses that the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of any other funds in which it invests, if any. Such indirect expenses are not included in the Fund's reported expense ratios.

(e) The benefits derived from custody fees paid indirectly had an impact of less than 0.01%.

Notes to Financial Statements

1. Nature of Operations

Wanger International Select (the Fund), a series of Wanger Advisors Trust (the Trust), is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company organized as a Massachusetts business trust. The investment objective of the Fund is to seek long-term capital appreciation. The Fund is available only for allocation to certain life insurance company separate accounts established for the purpose of funding participating variable annuity contracts and variable life insurance policies and may also be offered directly to certain qualified pension and retirement plans.

2. Summary of Significant Accounting Policies

Basis of Preparation

The Fund is an investment company that applies the accounting and reporting guidance in the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946, *Financial Services—Investment Companies* (ASC 946). The financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP) which requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements.

Security valuation

Securities of the Fund are valued at market value or, if a market quotation for a security is not readily available or is deemed not to be reliable because of events or circumstances that have occurred between the market quotation and the time as of which the security is to be valued, the security is valued at its fair value determined in good faith under consistently applied procedures established by the Board of Trustees (the Board). A security traded on a securities exchange or in an over-the-counter market in which transaction prices are reported is valued at the last sales price at the time of valuation. A security traded principally on NASDAQ is valued at the NASDAQ official closing price. Exchange traded funds (ETFs) are valued at their closing net asset value as reported on the applicable exchange. A security for which there is no reported sale on the valuation date is valued at the mean of the latest bid and ask quotations.

Short-term investments maturing in 60 days or less are valued at amortized cost, which approximates market value.

Forward foreign currency exchange contracts are marked-to-market based upon foreign currency exchange rates provided by a pricing service.

The Trust has retained an independent statistical fair value pricing service that employs a systematic methodology to assist in the fair valuation process for securities principally traded in a foreign market in order to adjust for possible changes in value that may occur between the close of the foreign market and the time as of which the securities are to be valued. If a security is valued at a fair value, that value may be different from the last quoted market price for the security.

Foreign currency translations

Values of investments denominated in foreign currencies are converted into U.S. dollars using the New York spot market rate of exchange at the time of valuation. Purchases and sales of investments and dividend and interest income are translated into U.S. dollars using the spot market rate of exchange prevailing on the respective dates of such transactions. The gain or loss resulting from changes in foreign exchange rates is included with net realized and unrealized gain or loss from investments, as appropriate.

Restricted securities

Restricted securities are securities that may only be resold upon registration under federal securities laws or in transactions exempt from registration. In some cases, the

issuer of restricted securities has agreed to register such securities for resale at the issuer's expense either upon demand by the Fund or in connection with another registered offering of the securities. Many restricted securities may be resold in the secondary market in transactions exempt from registration. Such restricted securities may be determined to be liquid under criteria established by the Board.

Derivative instruments

The Fund invests in forward foreign currency exchange contracts on a very limited basis, as detailed below. Forward foreign currency exchange contracts are derivative instruments whose values depend on, or are derived from, in whole or in part, the value of one or more other assets, in this case, currencies. Derivatives may involve various risks, including the potential inability of the counterparty to fulfill its obligation under the terms of the contract, the potential for an illiquid secondary market (making it difficult for the Fund to sell, including at favorable prices) and the potential for market movements which may expose the Fund to gains or losses in excess of the amount shown in the Statement of Assets and Liabilities.

For financial reporting purposes, the Fund does not offset derivative assets and derivative liabilities that are subject to netting arrangements in the Statement of Assets and Liabilities.

Forward foreign currency exchange contracts

Forward foreign currency exchange contracts are agreements between two parties to buy and sell a currency at a set price on a future date. The Fund utilized forward foreign currency exchange contracts to hedge the currency exposure associated with some or all of the Fund's securities. These instruments may be used for other purposes in the future. The Fund's use of forward foreign currency exchange contracts was not material to the net assets of the Fund.

The values of forward foreign currency exchange contracts fluctuate daily with changes in foreign currency exchange rates. Changes in the value of these contracts are recorded as unrealized appreciation or depreciation until the contracts is exercised or has expired. The Fund will realize a gain or loss when the forward foreign currency exchange contract is closed or expires.

The use of forward foreign currency exchange contracts does not eliminate fluctuations in the prices of the Fund's portfolio securities. The risks of forward foreign currency exchange contracts include movement in the values of the foreign currencies relative to the U.S. dollar (or other foreign currencies) and the possibility that counterparties will not complete their contractual obligations, which may be in excess of the amount reflected, if any, in the Statement of Assets and Liabilities.

Effects of derivative transactions in the financial statements

The following tables are intended to provide additional information about the effect of derivatives on the financial statements of the Fund, including: the fair value of derivatives by risk category and the location of those fair values in the Statement of Assets and Liabilities; and the impact of derivative transactions over the period in the Statement of Operations, including realized gains or losses and unrealized gains or losses. The derivative schedules following the Statement of Investments present additional information regarding derivative instruments outstanding at the end of the period, if any.

At December 31, 2015, the Fund had no outstanding derivatives.

The following table indicates the effect of derivative instruments (not considered to be hedging instruments for accounting disclosure purposes) in the Statement of Operations for the year ended December 31, 2015:

Amount of Realized Gain (Loss) on Derivatives Recognized in Income

Risk Exposure Category	Forward Foreign Currency Exchange Contracts
Foreign exchange risk	\$83,928

Notes to Financial Statements, continued

Change in Unrealized Appreciation (Depreciation) on Derivatives Recognized in Income

Risk Exposure Category	Forward Foreign Currency Exchange Contracts
Foreign exchange risk	\$6,479

The following table provides a summary of the average outstanding volume by derivative instrument for the year ended December 31, 2015:

Derivative Instrument	Average unrealized appreciation*	Average unrealized depreciation*
Forward foreign currency exchange contracts	\$3,173	\$(5,505)

* Based on the ending quarterly outstanding amounts for the year ended December 31, 2015.

Security transactions and investment income

Security transactions are accounted for on the trade date (date the order to buy or sell is executed) and dividend income is recorded on the ex-dividend date, except that certain dividends from foreign securities are recorded as soon as the information is available to the Fund. Interest income is recorded on the accrual basis and includes amortization of discounts on debt obligations when required for federal income tax purposes. Realized gains and losses from security transactions are recorded on an identified cost basis.

Awards, if any, from class action litigation related to securities owned may be recorded as a reduction of cost of those securities. If the applicable securities are no longer owned, the proceeds are recorded as realized gains.

The Fund may receive distributions from holdings in equity securities, ETFs, other regulated investment companies (RICs), and real estate investment trusts (REITs), which report information on the tax character of their distributions annually. These distributions are allocated to dividend income, capital gain and return of capital based on actual information reported. Return of capital is recorded as a reduction of the cost basis of securities held. If the Fund no longer owns the applicable securities, return of capital is recorded as a realized gain. With respect to REITs, to the extent actual information has not yet been reported, estimates for return of capital may be made by the Fund's management. Management's estimates are subsequently adjusted when the actual character of the distributions is disclosed by the REITs, which could result in a proportionate change in return of capital to shareholders.

Expenses

General expenses of the Trust are allocated to the Fund and the other series of the Trust based upon relative net assets or other expense allocation methodologies determined by the nature of the expense. Expenses directly attributable to the Fund are charged to the Fund.

Fund share valuation

Fund shares are sold and redeemed on a continuing basis at net asset value. Net asset value per share is determined daily as of the close of trading on the New York Stock Exchange (the Exchange) on each day the Exchange is open for trading by dividing the total value of the Fund's investments and other assets, less liabilities, by the number of Fund shares outstanding.

Securities lending

The Fund may lend securities up to one-third of the value of its total assets to certain approved brokers, dealers and other financial institutions to earn additional income. The Fund retains the benefits of owning the securities, including the economic equivalent of dividends or interest generated by the security. The Fund also receives a fee for the loan. The Fund has the ability to recall the loans at any time and could do so in order to vote proxies or to sell the loaned securities. Each loan is collateralized by cash that exceeded the value of the securities on loan. The market value of the

loaned securities is determined daily at the close of business of the Fund and any additional required collateral is delivered to each Fund on the next business day. The Fund has elected to invest the cash collateral in the Dreyfus Government Cash Management Fund. The income earned from the securities lending program is paid to the Fund, net of any fees remitted to Goldman Sachs Agency Lending, the Fund's lending agent, and borrower rebates. The Fund's investment manager, Columbia Wanger Asset Management, LLC (CWAM), does not retain any fees earned by the lending program. Generally, in the event of borrower default, the Fund has the right to use the collateral to offset any losses incurred. In the event the Fund is delayed or prevented from exercising its right to dispose of the collateral, there may be a potential loss to the Fund. Some of these losses may be indemnified by the lending agent. The Fund bears the risk of loss with respect to the investment of collateral. The net lending income earned by the Fund as of December 31, 2015, is included in the Statement of Operations.

Offsetting of assets and liabilities

The following table presents the Fund's gross and net amount of assets and liabilities available for offset under netting agreements and under a securities lending agreement as well as the related collateral received by the Fund as of December 31, 2015:

Liabilities	Goldman Sachs
Collateral on securities loaned	\$424,733
Total liabilities	424,733
Total financial and derivative net assets	(424,733)
Financial instruments	403,067
Net amount (a)	\$(21,666)

(a) Represents the net amount due from/(to) counterparties in the event of default.

Securities lending transactions

The following table indicates the total amount of securities loaned by type, reconciled to gross liability payable upon return of the securities loaned by the Fund as of December 31, 2015:

	Overnight and Continuous	Up to 30 Days	30 - 90 Days	Greater than 90 Days	Total
Securities lending transactions					
Equity securities	\$403,067	\$—	\$—	\$—	\$403,067
Gross amount of recognized liabilities for securities lending (collateral received)					424,733
Amounts due to counterparty					\$21,666

Federal income taxes

The Fund has complied with the provisions of the Internal Revenue Code available to regulated investment companies and, in the manner provided therein, distributes substantially all its taxable income, as well as any net realized gain on sales of investments and foreign currency transactions reportable for federal income tax purposes. Accordingly, the Fund paid no federal income taxes and no federal income tax provision was required.

Foreign capital gains taxes

Gains in certain countries may be subject to foreign taxes at the fund level. The Fund accrues for such foreign taxes on realized and unrealized gains at the appropriate rate for each jurisdiction. The amount, if any, is disclosed as a liability on the Statement of Assets and Liabilities.

Distributions to shareholders

Distributions to shareholders are recorded on the ex-dividend date.

Notes to Financial Statements, continued

Indemnification

In the normal course of business, the Trust on behalf of the Fund enters into contracts that contain a variety of representations and warranties and that provide general indemnities. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims against the Fund. Also under the Trust's organizational documents, the trustees and officers of the Trust are indemnified against certain liabilities that may arise out of their duties to the Trust. However, based on experience, the Fund expects the risk of loss due to these warranties and indemnities to be remote.

Recent Accounting Pronouncement

Fair Value Measurement (Topic 820), Disclosure for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)

In May 2015, FASB issued Accounting Standards Update (ASU) No. 2015-07, *Fair Value Measurement (Topic 820), Disclosure for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. ASU No. 2015-07 changes the disclosure requirements for investments for which fair value is measured using the net asset value per share practical expedient. The disclosure requirements are effective for annual periods beginning after December 15, 2015 and interim periods within those fiscal years. At this time, management is evaluating the implications of this guidance and the impact it will have on the financial statement amounts and footnote disclosures, if any.

3. Federal Tax Information

The timing and character of income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

Reclassifications are made to the Fund's capital accounts for permanent tax differences to reflect income and gains available for distribution (or available capital loss carryforwards) under income tax regulations.

For the year ended December 31, 2015, permanent book and tax basis differences resulting primarily from proceeds from regulatory settlements, foreign currency transactions, passive foreign investment company (PFIC) holdings, former PFIC holdings, investments in partnerships and distribution reclassifications were identified and reclassified among the components of the Fund's net assets as follows:

<u>Accumulated Net Investment Income</u>	<u>Accumulated Net Realized Gain (Loss)</u>	<u>Paid-In Capital</u>
\$611,141	\$(600,318)	\$(10,823)

Net investment income and net realized gains (losses), as disclosed on the Statement of Operations, and net assets were not affected by this reclassification.

The tax character of distributions paid during the years ended December 31, 2015 and December 31, 2014 were as follows:

	<u>December 31, 2015</u>	<u>December 31, 2014</u>
Ordinary Income*	\$304,469	\$328,166
Long-Term Capital Gains	1,246,910	1,083,089

* For tax purposes short-term capital gain distributions, if any, are considered ordinary income distributions.

As of December 31, 2015, the components of distributable earnings on a tax basis were as follows:

<u>Undistributed Ordinary Income</u>	<u>Capital Loss Carryforwards</u>	<u>Net Unrealized Appreciation (Depreciation)*</u>
\$105,176	\$(849,051)	\$1,609,857

* The differences between book-basis and tax-basis net unrealized appreciation (depreciation) are primarily due to deferral of losses from wash sales and PFIC adjustments.

The following capital loss carryforward, determined as of December 31, 2015, may be available to reduce taxable income arising from future net realized gains on investments, if any, to the extent permitted by the Internal Revenue Code:

<u>Year of Expiration</u>	<u>Amount</u>
No expiration—short-term	\$849,051

Management is required to determine whether a tax position of the Fund is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized by the Fund is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. Management is not aware of any tax positions in the Fund for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. However, management's conclusions may be subject to review and adjustment at a later date based on factors including, but not limited to, new tax laws, regulations, and administrative interpretations (including relevant court decisions). The Fund's federal tax returns for the prior three fiscal years remain subject to examination by the Internal Revenue Service.

4. Transactions with Affiliates

CWAM is a wholly owned subsidiary of Columbia Management Investment Advisers, LLC (Columbia Management), which in turn is a wholly owned subsidiary of Ameriprise Financial, Inc. (Ameriprise Financial). CWAM furnishes continuing investment supervision to the Fund and is responsible for the overall management of the Fund's business affairs.

CWAM receives a monthly advisory fee based on the Fund's average daily net assets at the following annual rates:

<u>Average Daily Net Assets</u>	<u>Annual Fee Rate</u>
Up to \$500 million	0.94%
\$500 million and over	0.89%

For the year ended December 31, 2015, the effective investment advisory fee rate, net of fee waivers, was 0.94% of the Fund's average daily net assets.

Through April 30, 2016, CWAM has contractually agreed to bear a portion of the Fund's expenses so that its ordinary operating expenses (excluding transaction costs and certain other investment-related expenses, interest and fees on borrowings and expenses associated with the Fund's investment in other investment companies, if any), after giving effect to any balance credits from the Fund's custodian, do not exceed the annual rate of 1.45% of the Fund's average daily net assets. The reimbursement to the Fund for the year ended December 31, 2015, was \$37,284.

CWAM provides administrative services and receives an administration fee from the Fund at the following annual rates:

<u>Wanger Advisors Trust Aggregate Average Daily Net Assets of the Trust</u>	<u>Annual Fee Rate</u>
Up to \$4 billion	0.05%
\$4 billion to \$6 billion	0.04%
\$6 billion to \$8 billion	0.03%
\$8 billion and over	0.02%

For the year ended December 31, 2015, the effective administration fee rate was 0.05% of the Fund's average daily net assets. CWAM has delegated to Columbia Management responsibility to provide certain sub-administrative services to the Fund.

Columbia Management Investment Distributors, Inc. (CMID), a wholly owned subsidiary of Ameriprise Financial, serves as the Fund's distributor and principal underwriter.

Columbia Management Investment Services Corp. (CMIS), a wholly owned subsidiary of Ameriprise Financial, is the transfer agent to the Fund. For its services, the Fund pays CMIS a monthly fee at the annual rate of \$21.00 per open account. CMIS also receives reimbursement from the Fund for certain out-of-pocket expenses.

Notes to Financial Statements, continued

Certain officers and trustees of the Trust are also officers of CWAM. The Trust makes no direct payments to its officers and trustees who are affiliated with CWAM.

The Board has appointed a Chief Compliance Officer of the Trust in accordance with federal securities regulations. The Fund, along with other affiliated funds, pays its pro-rata share of the expenses associated with the office of the Chief Compliance Officer.

The Trust offers a deferred compensation plan for its independent trustees. Under that plan, a trustee may elect to defer all or a portion of his or her compensation. Amounts deferred are retained by the Trust and may represent an unfunded obligation of the Trust. The value of amounts deferred is determined by reference to the change in value of Class Z shares of one or more series of Columbia Acorn Trust or a money market fund as specified by the trustee. Benefits under the deferred compensation plan are payable in accordance with the plan.

For the year ended December 31, 2015, the Fund engaged in purchase and sales transactions with funds that have a common investment manager (or affiliated investment managers), common directors/trustees, and/or common officers. Those purchase and sale transactions complied with provisions of Rule 17a-7 under the Investment Company Act of 1940 and were \$530,431 and \$312,512, respectively. The sale transactions resulted in a net realized gain of \$23,356.

5. Borrowing Arrangements

During the period January 1, 2015 through April 29, 2015, the Trust participated in a credit facility with JPMorgan Chase Bank, N.A., along with Columbia Acorn Trust, another trust managed by CWAM, in the amount of \$150 million. Effective April 30, 2015, the first facility was terminated and the Trust entered into a revolving credit facility in the amount of \$400 million with a syndicate of banks led by JPMorgan Chase Bank, N.A. to facilitate portfolio liquidity. Under each facility, interest is charged to each participating Fund based on its borrowings at a rate per annum equal to the Federal Funds Rate plus 1.00%. In addition, a commitment fee of 0.08% per annum of the unutilized line of credit is accrued and apportioned among the participating Funds based on their relative net assets. The commitment fee is disclosed as a part of "Other expenses" in the Statement of Operations. The Trust expects to renew this line of credit for one year durations each April at then current market rates and terms.

No amounts were borrowed for the benefit of the Fund under the line of credit during the year ended December 31, 2015.

6. Fund Share Transactions

Proceeds and payments on Fund shares as shown in the Statement of Changes in Net Assets are in respect of the following numbers of shares:

	Year Ended December 31, 2015	Year Ended December 31, 2014
Shares sold	55,516	109,349
Shares issued in reinvestment of dividend distributions	88,217	69,611
Less shares redeemed	(194,679)	(261,572)
Net decrease in shares outstanding	(50,946)	(82,612)

7. Investment Transactions

The aggregate cost of purchases and proceeds from sales other than short-term obligations for the year ended December 31, 2015, were \$12,660,224 and \$13,953,413, respectively. The amount of purchase and sales activity impacts the portfolio turnover rate reported in the Financial Highlights.

8. Regulatory Settlements with Third Parties

During the year ended December 31, 2015, the Fund recorded a receivable of \$10,826 and during the year ended December 31, 2014, the Fund received \$3,626 as a result of a regulatory settlement proceedings brought by the Securities and Exchange Commission against an unaffiliated third party relating to market timing and/or late trading of mutual funds. These amounts represented the Fund's portion of the proceeds from the settlement (neither the Fund nor the Investment Manager were

a party to the proceeding). The payments have been included in "Proceeds from regulatory settlements" in the Statement of Changes in Net Assets.

9. Shareholder Concentration

At December 31, 2015, three unaffiliated shareholder accounts owned an aggregate of 100.0% of the outstanding shares of the Fund. The Fund has no knowledge about whether any portion of those shares was owned beneficially by such accounts. Subscription and redemption activity by concentrated accounts may have a significant effect on the operations of the Fund.

10. Subsequent Events

Management has evaluated the events and transactions that have occurred through the date the financial statements were issued. Other than as noted below, there were no items requiring adjustment of the financial statements or additional disclosure.

The Board of Trustees of Wanger Advisors Trust has approved a Plan of Liquidation and Termination (the Plan) pursuant to which the Fund will be liquidated and terminated. Under the terms of the Plan, it is anticipated that the liquidation of the Fund will occur on or about April 29, 2016.

11. Information Regarding Pending and Settled Legal Proceedings

Ameriprise Financial and certain of its affiliates have historically been involved in a number of legal, arbitration and regulatory proceedings, including routine litigation, class actions, and governmental actions, concerning matters arising in connection with the conduct of their business activities. Ameriprise Financial believes that the Fund is not currently the subject of, and that neither Ameriprise Financial nor any of its affiliates are the subject of, any pending legal, arbitration or regulatory proceedings that are likely to have a material adverse effect on the Fund or the ability of Ameriprise Financial or its affiliates to perform under their contracts with the Funds. Ameriprise Financial is required to make quarterly (10-Q), annual (10-K) and, as necessary, 8-K filings with the Securities and Exchange Commission on legal and regulatory matters that relate to Ameriprise Financial and its affiliates. Copies of these filings may be obtained by accessing the SEC website at www.sec.gov.

There can be no assurance that these matters, or the adverse publicity associated with them, will not result in increased fund redemptions, reduced sale of fund shares or other adverse consequences to the Fund. Further, although we believe proceedings are not likely to have a material adverse effect on the Fund or the ability of Ameriprise Financial or its affiliates to perform under their contracts with the Fund, these proceedings are subject to uncertainties and, as such, we are unable to estimate the possible loss or range of loss that may result. An adverse outcome in one or more of these proceedings could result in adverse judgments, settlements, fines, penalties or other relief that could have a material adverse effect on the consolidated financial condition or results of operations of Ameriprise Financial.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders of Wanger International Select:

In our opinion, the accompanying statement of assets and liabilities, including the statement of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of Wanger International Select (a series of the Wanger Advisors Trust, hereinafter referred to as the "Fund") at December 31, 2015, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2015 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion. As disclosed in Note 10 to the financial statements, Wanger International Select will liquidate on or about April 29, 2016.

PricewaterhouseCoopers LLP
Chicago, Illinois
February 18, 2016

Federal Income Tax Information (Unaudited)

The Fund hereby designates the following tax attributes in the fiscal year ended December 31, 2015.

Tax Designations

Dividends Received Deduction	1.28%
Foreign Taxes Paid	\$23,604
Foreign Taxes Paid Per Share	\$0.02
Foreign Source Income	\$451,250
Foreign Source Income Per Share	\$0.42

Dividends Received Deduction. The percentage of ordinary income distributed during the fiscal year that qualifies for the corporate dividends received deduction.

Foreign Taxes. The Fund makes the election to pass through to shareholders the foreign taxes paid. Eligible shareholders may claim a foreign tax credit. These taxes, and the corresponding foreign source income, are provided.

Board of Trustees and Management of Wanger Advisors Trust

Each trustee may serve a term of unlimited duration. The Trust's Bylaws generally require that a trustee retire at the end of the calendar year in which the trustee attains the age of 75 years. The trustees appoint their own successors, provided that at least two-thirds of the trustees, after such appointment, have been elected by shareholders. Shareholders may remove a trustee, with or without cause, upon the vote of two-thirds of the Trust's outstanding shares at any meeting called for that purpose. A trustee may be removed, with or without cause, upon the vote of a majority of the trustees. The names of the trustees and officers of the Trust, the date each was first elected or appointed to office and the principal business occupations of each during at least the last five years, and for the trustees, the number of portfolios in the fund complex they oversee and other directorships they hold, are shown below. Each trustee and officer serves in such capacity for each of the four series of Wanger Advisors Trust and for each of the eight series of Columbia Acorn Trust.

The address for the trustees and officers of the Trust is **Columbia Wanger Asset Management, LLC, 227 West Monroe Street, Suite 3000, Chicago, Illinois 60606**. The Funds' Statement of Additional Information includes additional information about the Funds' trustees and officers. You may obtain a free copy of the Statement of Additional Information by writing or calling toll-free:

**Columbia Wanger Asset Management, LLC
Shareholder Services Group
227 W. Monroe, Suite 3000
Chicago IL 60606
1-800-922-6769**

<u>Name and Age at December 31, 2015</u>	<u>Year First Appointed or Elected to a Board in the Columbia Funds Complex</u>	<u>Principal Occupation(s) During the Past Five Years</u>	<u>Number of Funds in the Columbia Funds Complex Overseen ⁽¹⁾</u>	<u>Other Directorships Held by the Trustee During the Past Five Years in Addition to Columbia Acorn Trust and Wanger Advisors Trust</u>
Independent Trustees:				
<i>Laura M. Born, 50, Chair</i>	2007	Adjunct Associate Professor of Finance, University of Chicago Booth School of Business since 2007; Director, Carlson Inc. (private global hospitalities and travel company) since 2015; Managing Director—Investment Banking, JP Morgan Chase & Co. (broker-dealer) 2002-2007.	12	None.
<i>Maureen M. Culhane, 67</i>	2007	Retired. Formerly, Vice President, Goldman Sachs Asset Management, L.P. (investment adviser), 2005-2007; Vice President (Consultant)—Strategic Relationship Management, Goldman, Sachs & Co., 1999-2005.	12	None.
<i>Margaret M. Eisen, 62</i>	2002	Trustee, Smith College since 2012; Chief Investment Officer, EAM International LLC (corporate finance and asset management), 2003-2013; Managing Director, CFA Institute, 2005-2008.	12	Burnham Investors Trust (3 series).
<i>Thomas M. Goldstein, 56</i>	2014	Retired. Formerly, Chief Financial Officer, Allstate Protection Division, 2011-2014; Founding Partner, The GRG Group LLC, 2009-2011; Managing Director and Chief Financial Officer, Madison Dearborn Partners, 2007-2009.	12	Federal Home Loan Bank—Chicago; Federal Home Loan Mortgage Corporation.
<i>John C. Heaton, 56</i>	2010	Deputy Dean for Faculty, University of Chicago Booth School of Business; Joseph L. Gidwitz Professor of Finance, University of Chicago Booth School of Business since July 2000.	12	None.
<i>Steven N. Kaplan, 56</i>	1999	Neubauer Family Distinguished Service Professor of Entrepreneurship and Finance, University of Chicago Booth School of Business; faculty member of the University of Chicago Booth School of Business since 1988.	12	Accretive Health, Inc. (healthcare management services provider); Morningstar, Inc. (provider of independent investment research).
<i>Charles R. Phillips, 59</i>	2015	Retired. Director, University of North Carolina School of Law Foundation since 2010. Formerly, Vice Chairman, J.P. Morgan Private Bank, 2011-2014; Managing Director, J.P. Morgan Private Bank, 2001-2011.	12	None.

Board of Trustees and Management of Wanger Advisors Trust

Name and Age at December 31, 2015	Year First Appointed or Elected to a Board in the Columbia Funds Complex	Principal Occupation(s) During the Past Five Years	Number of Funds in the Columbia Funds Complex Overseen ⁽¹⁾	Other Directorships Held by the Trustee During the Past Five Years in Addition to Columbia Acorn Trust and Wanger Advisors Trust
<i>David J. Rudis</i> , 62, Vice Chair	2010	Retired. Formerly, National Checking and Debit Executive, and Illinois President, Bank of America, 2007-2009; President, Consumer Banking Group, LaSalle National Bank, 2004-2007.	12	None.
Interested Trustees:				
<i>P. Zachary Egan</i> , 47 ⁽²⁾	2015	President, CWAM and President, Wanger Advisors Trust and Columbia Acorn Trust since April 2014; Global Chief Investment Officer, CWAM since October 2015; International Chief Investment Officer, CWAM, April 2014-September 2015; Director of International Research, CWAM, December 2004-March 2014; Vice President of Columbia Acorn Trust, 2003-2014, and Wanger Advisors Trust, 2007-2014; portfolio manager and analyst, CWAM or its predecessors, since 1999.	12	None.
<i>Ralph Wanger</i> , 81 ⁽³⁾	1970 ⁽⁴⁾	Founder, CWAM. Formerly, President, Chief Investment Officer and portfolio manager, CWAM or its predecessors, July 1992-September 2003; Director, Wanger Investment Company PLC; Consultant to CWAM or its predecessors, September 2003-September 2005.	12	None.

* * * * *

Name at Age at December 31, 2015	Position Held with Columbia Acorn Trust and Wanger Advisors Trust	Year First Appointed or Elected to Office	Principal Occupation(s) During the Past Five Years
Officers:			
<i>Alan G. Berkshire</i> , 55	Vice President	2015	Chief Operating Officer, CWAM since April 2015. Formerly, Independent Director, ValueQuest India Moat Fund Limited (Mauritius), April 2014-March 2015; President—North America, Religare Global Asset Management, Inc., June 2011-November 2013; Partner, Estancia Capital Management LLC, September 2009-June 2011.
<i>Michael G. Clarke</i> , 46	Assistant Treasurer	2004	Vice President—Mutual Fund Administration, Columbia Management Investment Advisors, LLC since May 2010; Managing Director of Fund Administration, Columbia Management Advisors, LLC, September 2004-April 2010; Senior officer of Columbia funds and affiliated funds since 2002.
<i>William J. Doyle</i> , 51	Vice President	2014	Portfolio manager and/or analyst, CWAM or its predecessors since 2006; Vice President, Columbia Acorn Trust and Wanger Advisors Trust since 2014.
<i>P. Zachary Egan</i> , 47 ⁽²⁾	President	2007	President, CWAM and President, Wanger Advisors Trust and Columbia Acorn Trust since April 2014; Global Chief Investment Officer, CWAM since October 2015; International Chief Investment Officer, CWAM, April 2014-September 2015; Director of International Research, CWAM, December 2004-March 2014; Vice President of Columbia Acorn Trust, 2003-2014, and Wanger Advisors Trust, 2007-2014; portfolio manager and analyst, CWAM or its predecessors, since 1999.
<i>David L. Frank</i> , 52	Vice President	2014	Portfolio manager and/or analyst, CWAM or its predecessors since 2002; Vice President, Columbia Acorn Trust and Wanger Advisors Trust since 2014.
<i>Paul B. Goucher</i> , 47	Assistant Secretary	2015	Vice President and Lead Chief Counsel, Ameriprise Financial, Inc. since November 2008 and January 2013, respectively (previously Chief Counsel, January 2010-January 2013 and Group Counsel, November 2008-January 2010).
<i>Fritz Kaegi</i> , 44	Vice President	2011	Portfolio manager and/or analyst, CWAM or its predecessors since 2004; Vice President, Columbia Acorn Trust and Wanger Advisors Trust since 2011.

Board of Trustees and Management of Wanger Advisors Trust

Name at Age at December 31, 2015	Position Held with Columbia Acorn Trust and Wanger Advisors Trust	Year First Appointed or Elected to Office	Principal Occupation(s) During the Past Five Years
<i>John Kunka, 45</i>	Treasurer	2006	Treasurer and Principal Accounting and Financial Officer, Columbia Acorn Trust and Wanger Advisors Trust since 2014; Director of Accounting and Operations, CWAM since May 2006; formerly, Assistant Treasurer, Columbia Acorn Trust and Wanger Advisors Trust 2006-2014.
<i>Stephen Kusmierczak, 48</i>	Vice President	2011	Portfolio manager and/or analyst, CWAM or its predecessors since 2001; Vice President, Columbia Acorn Trust and Wanger Advisors Trust since 2011.
<i>Joseph C. LaPalm, 46</i>	Vice President	2006	Chief Compliance Officer, CWAM since 2005.
<i>Ryan C. Larrenaga, 45</i>	Assistant Secretary	2015	Vice President and Group Counsel, Ameriprise Financial, Inc. since August 2011 (previously, Counsel, May 2010-August 2011); Assistant General Counsel, Bank of America, 2005-April 2010; officer of Columbia funds and affiliated funds since 2005.
<i>Satoshi Matsunaga, 44</i>	Vice President	2015	Portfolio manager and/or analyst, CWAM or its predecessors since 2005; Vice President, Columbia Acorn Trust and Wanger Advisors Trust since 2015.
<i>Thomas P. McGuire, 43</i>	Chief Compliance Officer	2015	Chief Compliance Officer of the Columbia family of mutual funds for which Columbia Management Investment Advisers, LLC serves as investment adviser since 2012; Vice President—Asset Management Compliance, Ameriprise Financial, Inc., since May 2010; Chief Compliance Officer, Ameriprise Certificate Company since September 2010; Compliance Executive, Bank of America, 2005-April 2010.
<i>Charles P. McQuaid, 62</i>	Vice President	1992 ⁽⁴⁾	Portfolio manager and/or analyst, CWAM or its predecessors since 1978; Vice President, Columbia Acorn Trust and Wanger Advisors Trust since April 2014; President and Chief Investment Officer, CWAM or its predecessors, October 2003-March 2014, and President, Columbia Acorn Trust and Wanger Advisors Trust, October 2003-March 2014.
<i>Louis J. Mendes III, 51</i>	Vice President	2003	International Director of Research, CWAM, since 2015; portfolio manager and/or analyst, CWAM or its predecessors since 2001; Vice President, Columbia Acorn Trust since 2003 and Wanger Advisors Trust since 2005.
<i>Christopher J. Olson, 51</i>	Vice President	2001	Portfolio manager and/or analyst, CWAM or its predecessors since January 2001; Vice President, Columbia Acorn Trust and Wanger Advisors Trust since 2001.
<i>Julian Quero, 48</i>	Assistant Treasurer	2015	Vice President—Tax, Columbia Management Investment Advisers, LLC since 2009.
<i>Matthew S. Szafranski, 38</i>	Vice President	2015	Portfolio manager and/or analyst, CWAM or its predecessors since 2008; Vice President, Columbia Acorn Trust and Wanger Advisors Trust since 2015.
<i>Andreas Waldburg-Wolfegg, 50</i>	Vice President	2011	Portfolio manager and/or analyst, CWAM or its predecessors since 2002; Vice President, Columbia Acorn Trust and Wanger Advisors Trust since 2011.
<i>Linda Roth-Wiszowaty, 46</i>	Secretary	2006	Business support analyst, CWAM since April 2007; Secretary, Columbia Acorn Trust and Wanger Advisors Trust since 2014; Assistant Secretary, Columbia Acorn Trust and Wanger Advisors Trust, 2006-2014.

(1) The Trustees oversee the series of Wanger Advisors Trust and Columbia Acorn Trust.

(2) Mr. Egan is an “interested person” of Wanger Advisors Trust, Columbia Acorn Trust, and CWAM, as defined in the 1940 Act, because he is an officer of each Trust and an employee of CWAM.

(3) As permitted under the Trust’s Bylaws, Mr. Wanger serves as a non-voting Trustee Emeritus of Wanger Advisors Trust and Columbia Acorn Trust.

(4) Dates prior to 1992 relate to The Acorn Fund, Inc., the predecessor trust to Columbia Acorn Trust.

Columbia Wanger Funds

Trustees

Laura M. Born, *Chair of the Board*
 David J. Rudis, *Vice Chair of the Board*
 Maureen M. Culhane
 P. Zachary Egan
 Margaret M. Eisen
 Thomas M. Goldstein
 John C. Heaton
 Charles R. Phillips
 Steven N. Kaplan
 Ralph Wanger (Trustee Emeritus)

Officers

P. Zachary Egan
President
 Alan G. Berkshire
Vice President
 Michael G. Clarke
Assistant Treasurer
 William J. Doyle
Vice President
 David L. Frank
Vice President
 Paul B. Goucher
Assistant Secretary
 Fritz Kaegi
Vice President
 John M. Kunka
*Treasurer and Principal
 Financial and
 Accounting Officer*
 Stephen Kusmierczak
Vice President
 Joseph C. LaPalm
Vice President
 Ryan C. Larrenaga
Assistant Secretary
 Satoshi Matsunaga
Vice President
 Thomas P. McGuire
Chief Compliance Officer
 Charles P. McQuaid
Vice President
 Louis J. Mendes
Vice President
 Christopher J. Olson
Vice President
 Julian Quero
Assistant Treasurer
 Matthew S. Szafranski
Vice President
 Andreas Waldburg-Wolfegg
Vice President
 Linda K. Roth-Wiszowaty
Secretary

Investment Manager

Columbia Wanger Asset Management, LLC
 227 West Monroe Street, Suite 3000
 Chicago, Illinois 60606
 1-888-4-WANGER
 (1-888-492-6437)

Transfer Agent, Dividend Disbursing Agent

Columbia Management Investment Services Corp.
 P.O. Box 8081
 Boston, Massachusetts
 02266-8081

Distributor

Columbia Management Investment Distributors, Inc.
 225 Franklin Street
 Boston, Massachusetts
 02110

Legal Counsel to the Funds

Perkins Coie LLP
 Washington, DC

Legal Counsel to the Independent Trustees

Drinker Biddle & Reath LLP
 Philadelphia, Pennsylvania

Independent Registered Public Accounting Firm

PricewaterhouseCoopers LLP
 Chicago, Illinois

This document contains Global Industry Classification Standard data. The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's Financial Services LLC ("S&P") and is licensed for use by Columbia Wanger Asset Management, LLC ("CWAM"). Neither MSCI, S&P, nor any other party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

This report, including the schedules of investments and financial statements, is submitted for the general information of the shareholders of the Wanger Advisors Trust.

A description of the Fund's proxy voting policies and procedures and a copy of the Fund's voting record for the most recent 12-month period ended June 30 are available (i) on our website, columbiathreadneedle.com/us, (ii) on the Securities and Exchange Commission's website at www.sec.gov, and (iii) without charge, upon request, by calling 888-492-6437.

The Fund files a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Form N-Q is available on the SEC's website at www.sec.gov and may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 800-SEC-0330. The Fund's complete portfolio holdings are disclosed at www.columbiathreadneedle.com/us approximately 30 to 40 days after each month-end.



COLUMBIA WANGER FUNDS