



## Item 1 – Cover Page

# Allspring Global Investments (UK) Limited

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November 15, 2021

This is the Form ADV, Part 2A ("Brochure") for Allspring Global Investments (UK) Limited (formerly known as Wells Fargo Asset Management (International) Limited), as required by the Investment Advisers Act of 1940 (the "Advisers Act").

This Brochure provides information about the qualifications and business practices of Allspring Global Investments (UK) Limited ("Allspring UK"). If you have any questions about the contents of this Brochure, please contact us at (+44) (0)204-551-7473 or [www.allspringglobal.com](http://www.allspringglobal.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority. Additional information about Allspring UK is also available at the SEC's website, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Allspring UK is an investment adviser registered with the SEC. Registration as an investment adviser does not imply a certain level of skill or training.

## Item 2 – Material Changes

This amended Brochure, dated November 15, 2021 updates the annual Form ADV amendment, filed by Wells Fargo Asset Management (International) Limited (“WFAM(I)”) on March 30, 2021, to reflect certain material changes.

- Item 4 (Description of Advisory Services) has been updated to acknowledge the sale of Wells Fargo Asset Management (“WFAM”), the trade name of Wells Fargo’s asset management businesses which included WFAM(I) and certain of its affiliates, to funds managed by GTCR LLC (“GTCR”) and Reverence Capital Partners, L.P. (“Reverence Capital Partners”) on November 1, 2021. As part of the sale, the WFAM trade name has changed to Allspring and WFAM(I) has changed its legal name to Allspring Global Investments (UK) Limited.

As a result of Wells Fargo’s sale of the Wells Fargo Asset Management business (as referenced in Item 4), the following Items have been updated:

- Item 9 (Disciplinary Information) has been updated to remove references to Wells Fargo and the significant risks it faces due to its involvement in various legal and regulatory matters, including litigation, arbitrations, and investigations.
- Item 10 (Other Financial Industry Activities and Affiliations) and Item 11 (Code of Ethics and Conflicts of Interest) have been updated to reflect the change of entities affiliated with Allspring UK as a result of the sale of WFAM by Wells Fargo as defined in Item 4.
- Item 15 (Custody) has been updated to reflect that Allspring UK is no longer deemed to have custody, pursuant to the Custody rules under the Advisers Act (Rule 206(4)-2), as a result of the change of ownership of Allspring UK and on the basis that Wells Fargo is no longer considered an affiliated qualified custodian.

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## **Item 4 – Investment Advisory and Discretionary Portfolio Management Business**

### **FIRM OVERVIEW**

Allspring UK, previously known as Wells Fargo Asset Management (International) Limited, was incorporated in England & Wales (registered no 3710963) in 1999 and is authorised and regulated by the UK's Financial Conduct Authority ("FCA") as well as being an SEC registered Investment Adviser since September 2004. Allspring UK is a direct wholly-owned subsidiary of Allspring Global Investments Holdings, LLC (formerly known as Wells Fargo Asset Management Holdings, LLC), a holding company indirectly owned by certain private funds of GTCR LLC ("GTCR") and Reverence Capital Partners, L.P. ("Reverence Capital Partners").

On November 1, 2021, Wells Fargo & Company ("Wells Fargo") closed on a transaction (the "Transaction") involving the sale of WFAM to an affiliate of funds managed by GTCR and Reverence Capital Partners. WFAM was the trade name used by Wells Fargo's asset management businesses, that included WFAM(I) (now known as Allspring UK); Wells Capital Management, LLC (now known as Allspring Global Investments, LLC); Wells Fargo Funds Management, LLC (now known as Allspring Funds Management, LLC); Wells Fargo Asset Management Luxembourg S.A. (now known as Allspring Global Investments Luxembourg S.A.); Wells Fargo Funds Distributor, LLC (now known as Allspring Funds Distributor, LLC); and Galliard Capital Management, Inc. (now known as Galliard Capital Management, LLC). Allspring UK and its affiliates will together operate under the trade name Allspring.

As part of the Transaction, Wells Fargo owns a passive non-voting equity interest of less than 9.9% and will continue to serve as an important client and distribution partner.

Given the large scale and complexity of this divestiture, some technology infrastructure, operational processes and Allspring employees will temporarily remain at Wells Fargo to manage critical processes and systems that transition over time, under a Transition Services Agreement ("TSA") between Allspring and Wells Fargo. Additionally, subject to applicable fiduciary duties and other considerations, Wells Fargo is expected to continue to be an important distribution partner with respect to Allspring's products in a manner similar to their role prior to the closing of the Transaction.



Founded in 1980, GTCR is a leading private equity firm focused on investing in growth companies in the Healthcare, Financial Services & Technology, Technology, Media & Telecommunications, and Growth Business Services Industries. The Chicago-based firm pioneered The Leaders Strategy™ — finding and partnering with management leaders in core domains to identify, acquire, and build market-leading companies through transformational acquisitions and organic growth. Since its inception, GTCR has invested more than \$20 billion in over 250 companies.

Reverence Capital Partners is a private investment firm focused on thematic investing in leading global, middle-market financial services businesses through control and influence-oriented investments in five sectors: (1) Depositories and Finance Companies, (2) Asset and Wealth Management, (3) Insurance, (4) Capital Markets and (5) Financial Technology/Payments. The firm was founded in 2013 by Milton Berlinski, Peter Aberg, and Alex Chulack, who collectively bring over 90 years of advisory and investing experience across a wide range of financial services sectors.

Allspring UK has three lines of businesses: Global Fixed Income, Credit Europe and Multi-Asset Solutions. The businesses manage portfolios for institutions such as mutual funds, financial institutions (e.g., wealth managers and private banks), endowments, foundations, healthcare organizations, educational organizations, government/public authorities, sovereign organizations, insurance companies, Taft-Hartley plans, pension funds, special purpose vehicles and European regulated investment funds and banks.

### **TYPES OF INVESTMENT ADVISORY AND DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES**

Allspring UK provides investment advisory and portfolio management services to institutional clients.

Allspring UK's portfolio management services are offered on a discretionary basis. When performing portfolio management services on a discretionary basis, the client relies on Allspring UK to formulate and, in most cases, to implement the investment decisions consistent with parameters and information that the client provides in advance. Allspring UK will tailor its portfolio management services to the individual needs of its clients, including by incorporating client specific restrictions. However, Allspring UK will not be able to accommodate investment restrictions that are unduly burdensome, including any requested restrictions on underlying securities held in a fund/commingled vehicle in which the client invests. Allspring UK reserves the right to decline to accept, or terminate, client accounts with such restrictions. Investment

restrictions requested by a client may cause the performance of its account to differ from that of the portfolio recommended by Allspring UK, possibly producing lower overall results. Clients specify their investment objectives as well as any guidelines or restrictions in the advisory or investment management agreement, as appropriate depending on the type of services being provided to the client by Allspring UK.

In addition, the scope of services is determined by client agreement and regulation, and would typically include:

- Appropriate asset allocation;
- Portfolio management designed to achieve investment objectives within particular asset classes;
- Client reporting of portfolio valuation, asset classes, investment strategies and performance relative to appropriate benchmarks; and
- Periodic review of investment objectives, guidelines, restrictions, and strategies.

Allspring UK provides discretionary portfolio management services in respect of a range of strategies, including:

- Currency Alpha
- Corporate Bonds
- Asset Backed securities
- High Yield Bonds
- Financials
- Loans and mezzanine finance
- Emerging Markets
- Global Bond
- Global Bond (Hedged)
- Global Fixed Income Long Duration
- Global Bond Opportunity
- Global Sovereign Bonds
- Global Fixed Income Ultra Short

- Portable Alpha
- Alternative Risk Premia
- Bespoke multi-asset solutions to client specifications

The selection of securities and the construction of a portfolio will reflect the client's investment guidelines. Where appropriate this will include hedging of currency and interest rate risk.

Allspring UK's investment strategies are designed to provide prudent diversification across a wide range of markets and securities in an effort to achieve a higher probability of increased return with lower volatility.

Fixed income securities and currencies are treated as separate asset classes and derivatives are used in accordance with client guidelines to prudently hedge into the client's reporting currency to protect against a loss of stated value. This is a specialized approach to diversification for the abatement of risk and relative improvement of return. Investment strategies may involve one or more of a variety of global factors combining various transactions individually.

Allspring UK acts as a discretionary investment manager and as such makes all investment decisions as it deems appropriate, and without prior consultation with the client. It may buy, sell, exchange, convert and otherwise trade in any stocks, bonds, derivatives, currency or other securities and financial instruments, subject to any written investment guideline the client may provide. In some cases, and always in the client's best interest, Allspring UK may make investment decisions related to particular securities that are different than the decisions it makes for other clients concerning the same or related securities.

Additional information concerning Allspring UK's discretionary authority is provided in Item 16 below. Notwithstanding the above, Allspring UK may provide advisory or recommendation services to clients who maintain discretionary authority under specified conditions.

Allspring UK is not a broker dealer and does not sponsor wrap fee programs nor does Allspring UK maintain direct contractual relationships with wrap sponsors. Instead, Allspring UK may contract with registered investment advisors, including Allspring Global Investments, LLC ("Allspring Investments"), for the purpose of offering sub-advisory services. In providing these sub-advisory services, Allspring UK makes assurances that it has executed valid sub-advisory contracts that require its client, the

contracting advisor to: (i) retain responsibility for communicating any securities recommendations subject to client constraints, (ii) provide the necessary administrative and client support services, and (iii) provide any marketing support. Allspring UK also makes reasonable inquiry and obtains assurances that its client, the registered investment advisor, either provides the necessary Form ADV to clients itself or that it validates the sponsor's undertaking of such action.

## **CURRENT ASSETS UNDER MANAGEMENT**

As of December 31, 2020, Allspring UK had approximately US\$ 6,655,057,466 in regulatory assets under management on a discretionary basis.

## **Item 5 – Fees and Compensation**

Allspring UK generally charges an investment management fee based upon a percentage of the market value of a client's assets under management (such a fee is referred to as an "asset-based fee"). Allspring UK also receives performance-based fees with respect to certain strategies or as otherwise agreed on with a particular client. For additional information related to the performance-based fees Allspring UK receives, refer to Item 6 – Performance-Based Fees and Side-By-Side Management.

In addition to the investment advisory fees paid to Allspring UK, clients may pay other fees and expenses in connection with Allspring UK's management of their account. These include both account-level and investment-level costs.

### **ACCOUNT-LEVEL FEES**

If clients establish a discretionary account directly with Allspring UK, the most common fees and expenses are: brokerage commissions (if applicable depending on type of securities) and transaction charges associated with buying and selling securities; custody fees the client pays directly to the broker-dealer or bank that holds (a.k.a., "custodians") the assets; and other transactional fees (e.g., interest on margin balances, wire fees).

Allspring UK does not receive any of these non-advisory service fees (e.g., brokerage commissions and other transaction charges, custodial fees, transfer taxes or sales loads or similar charges). In certain instances, however, affiliates of Allspring UK may receive non-advisory service fees in connection with the advisory or portfolio management services Allspring UK provides to its clients. For additional information related to Allspring UK's brokerage practices, refer to Item 12.

### **INVESTMENT-LEVEL FEES**

Different investments have different costs to buy, sell and hold. These costs are explained in product-specific materials, which are available from Allspring UK. When considering account-level fees, clients should be aware that client accounts invested in mutual funds, money market funds, exchange-traded funds, private funds or similar securities, will also bear their proportionate share of fees paid at the fund level.

## **TWO-LEVELS OF FEES**

If a client account invests in a fund sponsored, advised or otherwise serviced by an Allspring company (i.e. an affiliated fund), Allspring UK and/or its affiliates will receive fees that are paid at the fund-level. As a result, clients pay Allspring UK and its affiliate's two levels of fees on the portion of a client's account invested in affiliated funds. The receipt of two levels of fees creates an incentive for Allspring UK to select and retain affiliated funds, rather than unaffiliated funds, for its clients. Allspring UK generally does not receive advisory fees from both the client's separate account and the affiliate fund in which the separate account is invested. Allspring UK will exclude the portion of a client's account invested in affiliated funds when calculating Allspring UK's account-level advisory fee or otherwise offset the account-level advisory fee by the advisory fees paid at the Fund level. Such rebate or reduction will not eliminate the conflict and Allspring UK may nevertheless have a financial incentive to favor affiliated fund investments (for example, to increase the assets under management of, or otherwise provide support to certain funds, products or lines of business). In limited instances, and where permitted and agreed upon with the client, Allspring UK will receive advisory fees from both the client's separate account and the affiliate fund in which the separate account is invested.

Clients should consider all of the foregoing additional compensation to Allspring companies when evaluating the amount and appropriateness of the fees that are paid to Allspring UK in connection with their advisory account(s).

## **DISCRETIONARY INVESTMENT MANAGEMENT FEES**

The basic fee schedules for Allspring UK's institutional separate account clients are set out below and can be negotiated between the client and Allspring UK when circumstances warrant (e.g. large accounts size or accounts requiring special services). Lower fees for comparable services may be available from other sources.

Fees may be higher or lower than the standard fee schedule. Allspring UK generally agrees to charge clients fees for advisory services that are lower than those set forth below. In certain circumstances in which Allspring UK or its affiliates provide customized investment advisory services a higher fee may apply. Variations in fees charged to clients can occur as a result of numerous factors including negotiations and/or discussions that may include the particular circumstances of the investor, account size, account servicing requirements, the size and scope of the overall

relationship with Allspring UK and its affiliates or certain consultants, or as may be otherwise agreed with specific clients on a case by case basis.

The fee schedule represents tiered fees and not weighted averages for the total amount of assets under management. Fees are calculated on the net market value of the client's account unless Allspring UK and the client agree to base the fee on the account's gross value (i.e., the value of the account before deducting the value of assets sold short or borrowed on margin).

The minimum account size is noted below for each strategy and may vary by investment style and asset class and may be negotiated or waived by Allspring UK.

Additional information relating to any requirements for opening or maintaining an account, such as a minimum account size can be found in Item 7 – Types of Clients.

Strategy	Investment team	Basic Fee Schedule
Emerging Market Local Currency Bond	Global Fixed Income	First US\$50m at 0.30% Next US\$150m at 0.25% Over US\$200m at 20%  Minimum account size = US\$20m Minimum account fee = US\$60,000
Global Bond		
Global Bond Hedged		
Global Sovereign Bond		
International Bond		
Global Financials	Credit Europe	First €50m at 0.50% Next €50m at 0.45% Next €200m at 0.40% Over €300m at 0.35%  Minimum account size = €50m Minimum annual fee = €250,000
EUR Investment Grade Credit		First €50m at 0.30% Next €50m at 0.25% Next €200m at 0.20% Over €300m at 0.15%  Minimum account size = €50m Minimum annual fee = €150,000
European Loans		First €50m at 0.45% Next €50m at 0.40% Next €200m at 0.35% Over €300m at 0.30%  Minimum account size = €50m Minimum annual fee = €225,000
European Loans Buy-and-Maintain		First €100m at 0.35% Next €100m at 0.30%



Strategy	Investment team	Basic Fee Schedule
		Over €200m at 0.25%  Minimum account size = €50m Minimum annual fee = €175,000
European Senior Secured Credit		First €50m at 0.45% Next €50m at 0.40% Next €200m at 0.35% Over €300m at 0.30%  Minimum account size = €50m Minimum annual fee = €225,000
EUR Short Duration Credit		First €50m at 0.30% Next €50m at 0.25% Next €200m at 0.20% Over €300m at 0.15%  Minimum account size = €50m Minimum annual fee = €150,000
Alternative Risk Premia	Multi-Asset Solutions	First US\$25m at 0.55% Next US\$75m at 0.50% Over US\$100m 0.45%  Annual minimum fee = US\$62,500 Minimum account size = US\$125m
Bespoke multi-asset solutions to client specifications		As negotiated

### OFFSHORE CLIENT FEES

Allspring UK also manage accounts for clients or their accounts based outside of the United States. In consideration of the enhanced administrative costs associated with such accounts, Allspring UK may negotiate fees that are higher than the fees specified

above where the market and service plan dictate doing so.

## **OTHER FEES**

Allspring UK acts as sub-advisor pursuant to an agreement with Allspring Funds Management, LLC (“Allspring Funds Management”), rendering fully discretionary investment management to several U.S. registered investment companies of the Allspring Funds Family (the “Allspring Funds”), Wells Fargo (Lux) Worldwide Fund and Worldwide Alternative Fund SICAV-SIF (offshore funds organized in Luxembourg) and is entitled to receive from Allspring Funds Management a portion of its annual advisory fee from the Funds. Please note that the Board of Directors of the Wells Fargo (Lux) Worldwide Fund and the Worldwide Alternative Fund approved the change of each fund’s name to Allspring (Lux) Worldwide Fund and Allspring Worldwide Alternative Fund and as a result each individual fund will have “Wells Fargo” removed from its fund name and will be replaced with “Allspring”. These changes are expected to be made on or about December 6, 2021, following regulatory and investor approvals.

For some sub-advisory accounts that Allspring UK manages on behalf of Allspring Investments, Allspring UK has received or may receive a percentage of Allspring Investments’ fee (for example, asset-based fee) that it charges their clients.

Additional information relating to potential conflicts of interest can be found in Item 6 - Performance-Based Fees and Side-By-Side Management, Item 11- Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading, and Item 12 - Brokerage Practices within this Brochure.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Allspring UK receives performance-based fees from some of its client accounts. In circumstances where Allspring UK manages accounts that charge performance-based fees and other accounts that do not, there is an incentive for Allspring UK to favor those accounts that charge a performance-based fee over those accounts that charge an asset-based fee. For example, Allspring UK could be in a position to earn more in investment advisory fee revenue if it were to allocate more profitable trading opportunities to its performance based fee accounts rather than its asset based fee accounts. Similarly, portfolio managers could have an incentive to favor accounts that charge performance-based fees, over other accounts that do not, if a portfolio manager can increase their compensation by making recommendations or decisions that generate more advisory fee revenue for Allspring UK.

Allspring UK has adopted policies and procedures that are reasonably designed to ensure that all accounts are treated fairly and equitably to prevent this potential conflict from influencing the allocation of investment opportunities among clients. Such policies and procedures prohibit any trade allocation practice whereby any particular account or group of accounts receive more favorable treatment than other client accounts. Allspring UK manages accounts (pursuing the same investment strategy) in a similar manner, with similar investments and similar allocations whenever possible, consistent with individual client guidelines and requirements. In addition, the compensation of Allspring UK's portfolio managers is designed to avoid creating an incentive to favor accounts that pay a performance-based fee over accounts that do not.

Some of the performance fee methods of calculation include the following:

- Performance fee computations based on annual achieved returns of the client's portfolio against the designated benchmark.
- Performance fee equaling a percentage of the performance of the client's portfolio in excess of a designated benchmark.
- A base fee on all balances in the client's portfolio plus a percentage of incremental outperformance (performance of the client's portfolio in excess of the designated benchmark).

## Item 7 – Types of Clients

Allspring UK has established minimum account requirements. The minimum account size for each strategy is noted in the chart included in Item 5 – Fees and Compensation. The minimum account requirements, which vary by investment style and asset class, can be negotiated with the client, or waived by Allspring UK.

Allspring UK is authorized to provide services to a number of Institutional clients, such as:

- Corporations or other business entities
- Banking or thrift institutions, investment companies (including European UCITS compliant funds, mutual funds) and other pooled investment vehicles
- Insurance organizations
- Foundations, endowments, trusts and estates
- Pension and profit sharing plans (other than plan participants)
- Taft-Hartley plans, governmental plans, and unions
- Health services organizations
- Governmental bodies, public funds, local authorities and municipalities
- Charitable organizations and non-profit entities

Allspring UK does not deal directly with retail clients.

With respect to certain strategies/investments, there may be a minimum account size of \$20,000,000 but it may vary by investment style and asset class and may be negotiated or waived in Allspring UK's sole discretion. There are no start-up or closing fees payable by the client to Allspring UK and any partial periods are prorated over the billing cycle. Allspring UK may bill in advance or in arrears and typically sends an invoice to clients within 30 days (or as reasonably practical) after quarter end or another frequency as otherwise agreed with the client. In the event of termination, if billing in advance, any fees prepaid to the firm will be refunded in cash on a pro-rated basis, with the client only being charged for the period ending on the effective date of termination. Advisory or investment management agreements may be terminated in accordance

with the termination notices and terms of the agreement.

## **CLIENT ACCOUNT AML & PRIVACY**

New clients (as part of the onboarding process) and existing clients (as part of an annual review process) are required to provide information to support Allspring UK's regulatory obligation to obtain, verify, and record information that identifies each client, including their beneficial owners, pursuant to the requirements of various national, federal and state laws or regulation. Allspring UK's procedures are required to help deter the funding of terrorist activities and support regulatory requirements around anti-money laundering (also known as "AML").

Allspring UK complies with all applicable privacy regulations and has created policies regarding the collection and disclosure of information about Allspring UK's clients considered to be non-public personal information. Although these policies are designed to protect client confidentiality and non-public personal information, Allspring UK reserves the right to disclose such information where it believes in good faith that it is required or permitted to do so by law, or in circumstances related to the servicing of client accounts where Allspring UK has retained affiliated or non-affiliated third parties who are permitted to use such information solely to provide the service. When client information is accessed, we maintain protective measures as described in Allspring UK's privacy policies and notices.

Unless restricted by agreement with a client, Allspring UK is permitted to disclose anonymous information identifying portfolio holdings that are representative of a particular strategy when Allspring UK is engaged in a review or modeling of its strategies with third parties.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

### **GLOBAL FIXED INCOME – METHODS OF ANALYSIS**

In addition to cyclical analysis, Global Fixed Income's investment analysis methods include quantitative and qualitative analysis using proprietary systems, databases and models, as well as third-party data reporting, trading systems, and analytic tools.

Global Fixed Income's proprietary system analyzes fundamental economic data, bond market values and currencies to arrive at forecast returns for all markets taking into consideration all potential opportunities for adding value to client portfolios relative to their benchmark.

Using the resultant forecasts, together with asset risk profiles and correlations, a multi-stage iteration optimizer is used to arrive at the "best fit"/optimum strategy allocation for each client after which the "day to day" portfolio managers implement the agreed strategy (and changes) and concentrate on security selection. For separately managed accounts, the Global Fixed Income team may take into consideration a proprietary Environment, Social and Governance ("ESG") sovereign scoring methodology as part of its investment process to obtain valuable insight into different markets and help determine and fine-tune macro allocations based on ESG issues.

Global Fixed Income's portfolio managers monitor that the securities are liquid and actively traded in each of these markets and select those securities that comply with the agreed strategy, pass the required client guidelines and credit tests and offer good value.

Global Fixed Income may also use a wide variety of publicly available market and economic information factors to make asset allocation and investment decisions. This information may come from many different sources, including financial newspapers, magazines and journals, research materials prepared by others, proprietary processes, on-line services, press releases, third-party services, and publicly available filings with governmental and regulatory agencies. Examples of some of the sources of information used by Global Fixed Income include:

- Allspring Investments IDC prices database for daily (third-party) bond and currency prices

- Fundamental economic data for each country within the investable universe
- Benchmark and investable universe data, including various index providers
- Consensus Economic Forecast
- Economist Intelligence Unit and numerous leading market economists
- Observatory Group
- PRS, Moody's, S&P, Fitch, and Credit Science

## **CREDIT EUROPE – METHODS OF ANALYSIS**

### **Economic analysis**

Credit Europe's decision-making process considers macroeconomic factors in a variety of ways. Top-down credit strategy considers macroeconomic fundamentals as well as the state of the banking system, equity market volatility, market technicals, credit fundamentals and relative value. This determines Credit Europe's overall view on credit markets and guides asset class allocation decisions. In addition, at the sector and individual credit level, analysts consider how macroeconomic factors (especially expectations for growth) will affect the performance of the sector and/or of a particular credit within that sector, and will make recommendations accordingly.

### **Credit and sector analysis**

Credit Europe's Research team assesses the business and financial profile of each issuer, including a review of its industry, competitive position, key risks and opportunities. Financial analysis focuses in particular on cash flow/liquidity and debt service capacity, as well as profitability and business value. Additional information such as regulation and any particular vulnerability to specific economic drivers will also be considered.

At a sector level, we consider fundamental drivers that could have a positive or negative influence on the credit quality of the sector (e.g. technology changes or a material change in the cost of a key input). Sector level allocations are reviewed at least monthly and the impact of changes on individual issuers within a sector is also assessed to

determine which ones have been advantaged or disadvantaged.

### Quantitative analysis

Quantitative models are not a core part of Allspring UK's investment decision-making but may be used to complement its fundamental and relative value analysis.

## **MULTI-ASSET SOLUTIONS – METHODS OF ANALYSIS**

The Multi-Asset Solutions team utilize a variety of tools, solutions and drivers including:

- Proprietary models to build risk premia portfolios that target specific client outcomes
- A unified research process to drive a consistent approach, ensuring that solutions are relevant and efficient
- Proprietary live tools to help the Multi-Asset Solution team risk-monitor and manage client portfolios
- Insight into what drives asset prices and the multi-dimensional risks associated with those drivers
- In-depth understanding of investor objectives allowing Multi-Asset Solutions portfolio managers to know what they are trying to achieve for their clients, and by what constraints they are bound
- Identifying the prevailing economic environment and adapting portfolios accordingly through tactical asset allocation (TAA)
- Tools for monitoring and managing risk that can facilitate dynamic risk management

## **GLOBAL FIXED INCOME – INVESTMENT STRATEGIES**

Investment optimization strategies include asset allocation based on the following:

- Quantitative analysis and modeling,
- Fundamental economic forecasts with the team's asset risk profiles,
- Strategy guidelines,
- Client guidelines,



- Risk guidelines to achieve the best fit optimum portfolio,
- Trading strategies based on potential relative value opportunities between asset classes and sectors, and
- Foreign currency and forward FX transactions for hedging or modifying currency exchange exposure.

## **CREDIT EUROPE - INVESTMENT STRATEGIES**

Credit Europe takes both a top-down and bottom-up approach when devising its investment strategy:

- The top-down approach helps us formulate a broader portfolio strategy and to identify the sectors, countries, asset classes and industries offering best relative value. It also highlights those which should be avoided or reduced.
- The bottom-up approach focuses on fundamental credit and relative value of individual holdings in the portfolio across each credit asset class. As part of Credit Europe's fundamental credit research, each potential investment will be carefully evaluated by the research team. Meetings are held with the management of issuers and are attended by both Research Analysts and Portfolio Managers. All investments are continually evaluated as to their fundamental credit quality, as well as their relative value. All investment decisions must be agreed by an authorized Portfolio Manager.

## **MULTI-ASSET SOLUTIONS – INVESTMENT STRATEGIES**

- Portfolios are underpinned by academic excellence and refined through years of practical experience managing strategies.
- The Alternative Risk Premia strategy seeks long-term capital appreciation.
- Bespoke Multi-Asset solutions are constructed to match client benchmark specifications.
- Seeking to achieve client outcomes by managing risk from macro drivers of risk from investments in, but are not limited to, equity, fixed income, commodity and currency asset classes.

- Using long/short implementation in a systematic way to capture the entire factory opportunity.
- A risk-focused approach to ensure the portfolio is diversified across multiple dimensions.
- Well-structured research and governance platform to leverage the expertise across Allspring.
- Combining the deep fundamental understanding of markets with the rigor and consistency provided by Allspring UK's scientific investment approach that identifies key drivers of asset returns like economic growth, inflation and interest rates and how they impact assets we invest in, drives Multi-Asset Solutions' ability to build intuitive portfolios and sensibly manage them through changing market environments.
- Sophisticated portfolio optimization cannot account for all possible risk scenarios. Multi-Asset Solutions' multi-dimensional view of risk recognizes and seeks to address risk from various angles, including the impact of leverage or extreme market events.
- Invest in a diversified set of global factors.
- Harness the diversification benefits between factors and avoid risk concentrations.

## **RISK OF LOSS**

All investments in securities include a risk of loss that clients should be prepared to bear. This includes loss of your principal (invested amount) and any profits that have not been realized. Stock markets and bond markets fluctuate substantially over time and because there is a risk of loss due to circumstances outside of Allspring UK's control, Allspring UK cannot guarantee any level of performance or that clients will not experience a loss in their accounts. Below is a list of potential risks that may be applicable:

### Alternative Risk Premia Investment Risk

As pertaining to the Alternative Risk Premia strategy this risk is associated with the ability to achieve its investment objective depending largely upon the portfolio managers' successful evaluation of the risks, potential returns, and correlation properties with respect to the various risk premia in which the strategy invests.

### Currency Risk

Changes in exchange rates between currencies or the conversion from one currency to another may cause the value of an account's investments to diminish or increase. Currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates also can be affected unpredictably by intervention (or the failure to intervene) by relevant governments or central banks, or by currency controls or political developments.

### Cybersecurity Risk

Cybersecurity risk is the risk of potential harm or loss of information security as a result of breaches or attacks on technology and technology infrastructure. Technology use is a key, and ever growing, component of many businesses and core to business operations. However, breaches or attacks can result in the loss of sensitive data and/or delay or halt access to technology and data that such businesses rely on for those core operations. Examples of threats include inappropriate access to networks, ransomware, phishing, denial of services, malware and more. Such incidents could impact Allspring UK's ability to effectively execute or settle trades, value securities and calculate daily net asset values (NAVs). Cyber risks also apply to broker-dealers, custodian banks, insurance companies, consultants or other relationships with whom Allspring UK interacts as necessary to service your accounts. In addition, Allspring UK does not have direct control of the cybersecurity programs of these relationships. Allspring UK, and its reliance on Wells Fargo's infrastructure through the TSA noted above, is subject to robust information security policies, which are designed to prevent, detect and mitigate cyber risks. Despite efforts to address cybersecurity threats there remains the possibility that Allspring UK is not fully prepared for such risks or that certain risks have not been identified.

## Data and Information Risk

Although Allspring UK obtains data and information from third party sources that it considers to be reliable, it cannot warrant or guarantee the accuracy and/or completeness of any data or information provided by these sources. Allspring UK does not make any express or implied warranties of any kind with respect to such data.

## Debt Securities Risk

Debt securities, such as notes and bonds, are subject to credit risk and interest rate risk. Credit risk is the possibility that an issuer or credit support provider of an instrument will be unable or is perceived to be unable to make interest payments or repay principal when due. This could cause the value of an investment to decline and a client to lose money. Changes in the financial strength of an issuer or credit support provider or changes in the credit rating of a security may affect its value. Interest rate risk is the risk that market interest rates may increase, which tends to reduce the resale value of certain debt securities. Debt securities with longer durations are generally more sensitive to interest rate changes than those with shorter durations. Changes in market interest rates do not affect the rate payable on an existing debt security, unless the instrument has adjustable or variable rate features, which can reduce its exposure to interest rate risk. Changes in market interest rates may also extend or shorten the duration of certain types of instruments, such as asset-backed securities, thereby affecting their value.

## Derivatives Risk

The term "derivatives" covers a broad range of investments, including futures, options and swap agreements. In general, a derivative refers to any financial instrument whose value is derived, at least in part, from the price of another security or a specified index, asset or rate. The use of derivatives presents risks different from, and possibly greater than, the risks associated with investing directly in traditional securities. The use of derivatives can lead to losses because of adverse movements in the price or value of the underlying asset, index or rate, which may be magnified by certain features of the derivatives, such as their ability to generate leverage. These risks are heightened when the portfolio manager uses derivatives to enhance return or as a substitute for a position or security, rather than solely to hedge (or offset) the risk of a position or security held. The success of management's derivatives strategies will also be affected by its ability to assess and predict the impact of market or economic developments on the underlying asset, index or rate and the derivative itself, without the benefit of observing

the performance of the derivative under all possible market conditions. Certain derivative instruments may be difficult to sell when the portfolio manager believes it would be appropriate to do so, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Entering into forwards or other foreign currency contracts, which are a type of derivative, is subject to the risk that the portfolio manager may be incorrect in their judgment of future exchange rate changes.

The use of futures contracts, which are a type of derivative, is subject to the risk of loss caused by unanticipated market movements. In addition, there may at times be an imperfect correlation between the movement in the prices of futures contracts and the value of their underlying instruments or indexes and there may at times not be a liquid secondary market for certain futures contracts.

Depending on their structure, swap agreements and options to enter into swap agreements ("swaptions"), both of which are types of derivatives, may increase or decrease exposure to long- or short-term interest rates, foreign currency values, mortgage-backed securities, corporate borrowing rates, or credit events or other reference points such as security prices or inflation rates.

### Emerging Markets Risk

Emerging markets are markets associated with a country that is considered by International financial organizations, such as the International Finance Corporation and the International Bank for Reconstruction and Development, and the International financial community to have an "emerging" stock market. Such markets may be under-capitalized, have less-developed legal and financial systems or may have less stable currencies than markets in the developed world. Emerging market securities are securities: (1) issued by companies with their principal place of business or principal office in an emerging market country; (2) issued by companies for which the principal securities trading market is an emerging market country; (3) issued by companies, regardless of where their securities are traded, that derive at least 50% of their revenue or profits from goods produced or sold, investments made, or services performed in emerging market countries or that have at least 50% of their assets in emerging market countries; or (4) issued by a sovereign government of an emerging market country, whether in its own currency, or another currency, such as USD (see also currency risk and sovereign risk). Emerging markets securities may be particularly sensitive to certain economic changes. For example, emerging market countries are more often dependent

on international trade and are therefore often vulnerable to recessions in other countries. Emerging markets may have obsolete financial systems and volatile currencies, and may be more sensitive than more mature markets to a variety of economic factors. Emerging market securities also may be less liquid than securities of more developed countries and could be difficult to sell, particularly during a market downturn.

## Error Risk

Errors may occur in an account managed by Allspring UK. Allspring maintains an Error Policy to which Allspring UK is subject. The purpose of the Error Policy is to describe what constitutes an error and the steps Allspring UK takes to remediate such errors. Investment decisions, portfolio construction and operational support activities are inherently complex processes that pose inherent risks. These risks may from time to time result in an error.

An incident is any occurrence or event that interrupts normal investment or support - related activities or that may deviate from applicable law, the terms of an investment management agreement, or applicable internal or external policies or procedures. Incidents can occur at Allspring UK, an affiliate, or at one of Allspring UK's service providers.

Whether or not an incident rises to the level of an error will be based on the relevant facts and circumstances of each incident. Allspring UK will address and resolve errors on a case-by-case basis, in its sole discretion, based on each error's facts and circumstances, including regulatory requirements, contractual obligations and business practices. Allspring UK is not obligated to follow any single method of resolving errors.

Not all errors will be considered compensatable errors. When Allspring UK determines that reimbursement is appropriate, the account will be compensated as determined in good faith by Allspring UK. Resolution of errors include, but is not limited to, permitting the impacted account to retain any gain or reimbursing the impacted accounts for loss resulting directly from the error. The calculation of the amount of any loss will depend on the facts and circumstances of the error, and the methodology used by Allspring UK may vary. In the event of a compensatable error, Allspring UK will make the account whole and will inform the client. Compensation is expected to be limited to direct monetary losses and will not include any "opportunity cost" nor; (i) any amounts related to opportunity cost; (ii) any amounts that Allspring UK deems to be speculative or

uncertain; (iii) investment losses not caused by the error; (iv) any loss amount that results from technology or service provider failures that are beyond Allspring UK's reasonable control.

### Environment, Social and Governance (ESG) Risk

Accounts invested according to an ESG strategy, or in consideration of specific ESG factors, could perform differently than an account that does not utilize an ESG strategy or consider ESG factors. Criteria for an ESG strategy may result in an account foregoing an opportunity to buy or sell certain securities where it otherwise would be advantageous to do so. There is also risk that the securities that meet Allspring UK's ESG criteria do not operate as expected and Allspring UK's criteria for positive ESG characteristics may differ from other investment managers. A company's ESG performance or Allspring UK's assessment of a company's ESG performance could vary over time such that the account may be temporarily invested in a company that does not meet relevant ESG criteria.

### Foreign Investment Risk

Foreign investments may be subject to lower liquidity, greater price volatility and risks related to adverse political, regulatory, market or economic developments. Foreign investments may involve exposure to changes in foreign currency exchange rates and may be subject to higher withholding and other taxes.

### Growth/Value Investing Risk

Securities that exhibit growth or value characteristics tend to perform differently and shift into and out of favor with investors depending on changes in market and economic sentiment and conditions.

### Investment Limitations

Due to regulatory and issuer-specific limits that apply to the ownership of securities of certain issuers, Allspring UK may limit investments in the securities of such issuers. Similar limitations may apply to futures and other derivatives, such as options. In addition, Allspring UK may from time-to-time determine that, because of regulatory requirements that may apply to Allspring UK and/or its affiliates in relation to investments in a particular country or in an issuer operating in a particular regulated



industry, investments in the securities of issuers domiciled or listed on trading markets in that country or operating in that regulated industry above certain thresholds may be impractical or undesirable. Limits and thresholds may apply at the account level or in the aggregate across all accounts (or certain subsets of accounts) managed, sponsored, or owned by, or otherwise attributable to, Allspring UK and its affiliates. For investment risk management and other purposes, Allspring UK may also generally apply internal aggregate limits on the amount of a particular issuer's securities that may be owned by all such accounts. To the extent that client accounts already own securities that directly or indirectly contribute to such an ownership threshold being exceeded, Allspring UK may sell securities held in such accounts in order to bring account-level and/or aggregate ownership below the relevant threshold. As a general practice in such cases, Allspring UK aims to sell the applicable securities on a pro-rata basis across all impacted accounts. In certain situations, however, Allspring UK may sell securities on a non-pro-rata basis to limit the impact to certain accounts (e.g., accounts that seek to replicate the performance of an index). In all situations, with respect to these requirements and limitations, Allspring UK will endeavor to treat all clients fairly. Nonetheless, sales of securities or other instruments resulting from such limitations and/or restrictions may result in realized losses for client accounts.

### Leverage Risk

An account utilizing leverage will be subject to heightened risk. Leverage often involves the use of various financial instruments or borrowed capital in an attempt to increase the return on an investment and is often intrinsic to certain derivative instruments. Leverage can take the form of borrowing funds, trading on margin, derivative instruments that are inherently leveraged, including but not limited to, forward contracts, futures contracts, options, swaps (including total return financing swaps and interest rate swaps), repurchase agreements and reverse repurchase agreements, or other forms of direct and indirect borrowings and other instruments and transactions that are inherently leveraged. Any such leverage, including instruments and transactions that are inherently leveraged, can result in the account's market value exposure being in excess of the net asset value of the account. In some cases, an account could need to liquidate positions when it is not advantageous to do so to satisfy its borrowing obligations. The use of leverage entails risks, including the potential for higher volatility and greater declines of an account's value, and fluctuations of dividend and other distribution payments.



## Liquidity Risk

Liquidity risk exists when certain investments are difficult to purchase or sell (e.g., lower quality corporate bonds, municipal bonds, smaller capitalization equities). This can impact an account's returns because the portfolio may be unable to transact at advantageous times or prices. A lack of liquidity may also cause the value of investments to decline in times of market stress.

## Management Risk

Investment decisions, techniques, analyses or models implemented by Allspring UK or a sub-adviser in seeking to achieve the client's investment objective may not produce the returns expected and may result in the investments losing value or may cause the account to underperform other accounts with similar investment objectives.

## Market Risk

The market price of securities may go up or down, sometimes rapidly or unpredictably. Securities may decline in value or become illiquid due to factors affecting securities markets generally or particular industries represented in the securities markets, such as labor shortages or increased production costs and competitive conditions within an industry. A security may decline in value or become illiquid due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. During a general downturn in the securities markets, multiple asset classes may decline in value or become illiquid simultaneously. Different sectors of the market and different security types may react differently to such developments. The impact of the coronavirus, and other epidemics and pandemics that may arise in the future, could affect the economies of many nations, individual companies and the market in general in ways that cannot necessarily be foreseen at the present time. The impact could be greater in emerging-market countries where the health care system is less established.

## Model Risk

Allspring UK may provide services utilizing qualitative models and a quantitative investment approach through which investment recommendations are model driven. This process is supported by extensive proprietary computer code that contains

complex mathematical and statistical modeling. Allspring UK has implemented policies and procedures surrounding the development, testing, validation, replication, change control, and review of its investment models, including the code. However, despite these extensive controls, it is possible that errors may occur in coding and within the investment process, as is the case with any complex software or data-driven model, and no guarantee or warranty can be provided that any quantitative investment model is completely free of errors. Any such errors could have a negative impact on investment results. We have control procedures in place designed to identify in a timely manner any such errors which would have a material impact on the investment process.

### New Fund Risk

Allspring UK may invest in newly established funds that have a limited or no operating history and a small asset base. There can be no assurance that the fund will grow to or maintain a viable size. Due to a new fund's small asset base, certain of the fund's expenses and its portfolio transaction costs may be higher than those of a fund with a larger asset base. To the extent that the new fund does not grow to or maintain a viable size, it may be liquidated, and the expenses, timing and tax consequences of such liquidation may not be favorable to some shareholders.

### Pandemic Risk

Pandemics are large outbreaks of infectious disease that spread over a wide geographic area and pose significant local and/or global economic, social, and health risks. At the time of this update, the COVID-19 pandemic continues to cause disruptions in areas such as consumer spending, manufacturing, hospitality, tourism, small businesses and transportation among others, further resulting in economic turmoil associated with the COVID-19 pandemic which has had wide-ranging and severe impacts upon financial markets, including stock, bond, and commodity markets. While Allspring UK has prepared for pandemic outbreaks in its ongoing business continuity planning there is no guarantee that Allspring UK or its service providers will be able to maintain normal operations and/or will not lose key personnel on a temporary or long-term basis as a result of COVID-19 or other pandemics. The full effects of pandemics are unknown which creates significant uncertainty in the global population and economic environments.

### Principal Investment Risk

All investments in securities include a risk of loss to the principal amount invested and any profits that have not been realized. Clients should be prepared to bear this loss. In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets managed by Allspring UK that is out of their control but client's assets will endeavor to be managed to the best of Allspring UK's ability and in a way that minimizes any loss; however, Allspring UK cannot guarantee any level of performance or that a client's account will not experience a loss of account assets.

### Regulatory Risk

Changes in government regulations may adversely affect the value of a security. An insufficiently or over regulated industry or market might also permit inappropriate practices that adversely affect an investment.

### Short Sales Risk

Short selling is generally considered speculative, has the potential for unlimited loss and may involve leverage, which can magnify an account's exposure to assets that decline in value and increase the volatility of the Fund's net asset value.

### Smaller Company Securities Risk

Securities of companies with smaller market capitalizations tend to be more volatile and less liquid than those of larger companies.

### Sovereign Default Risk

Sovereign default is a failure or refusal of the government of a sovereign state to pay back its debt in full. Cessation of due payments (or receivables) may either be accompanied by formal declaration (repudiation) of a government not to pay (or only partially pay) its debts, or it may be unannounced.

### Subsidiary Risk

As pertaining to the Alternative Risk Premia Fund, the value of the Fund's investment in its Cayman Islands subsidiary may be adversely impacted by the risks associated with the underlying derivatives investments of the subsidiary. In addition, changes in the laws or regulations of the United States or the Cayman Islands, under which the Fund and the subsidiary, respectively, are organized, could result in the inability of the Fund or the subsidiary to continue to operate as described in the prospectus and could negatively affect the Fund and its shareholders.

### U.S. Government Obligations Risk

U.S. Government obligations may be adversely impacted by changes in interest rates, and securities issued or guaranteed by U.S. Government agencies or government-sponsored entities may not be backed by the full faith and credit of the U.S. Government.

## **Item 9 – Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of Allspring UK's business or the integrity of its management.

## **Item 10 – Other Financial Industry Activities and Affiliations**

Allspring UK offers only investment advisory and discretionary portfolio management services. It has no broker-dealer or investment banking functions. Allspring UK is a direct wholly-owned subsidiary of Allspring Global Investments Holdings, LLC, which is an indirect subsidiary of an affiliate of funds managed by GTCR and Reverence Capital Partners. Additional information regarding these relationships and the related conflicts of interest is set forth in Item 11 (Code of Ethics Participation or Interest in Client Transactions, and Personal Trading), below.

As an investment advisor and discretionary portfolio manager, Allspring UK undertakes investment business as an authorized and regulated financial institution with a number of US and overseas regulatory authorities as set out below:

### **UNITED KINGDOM**

In the UK, Allspring UK is authorized and regulated by the Financial Conduct Authority (FCA) and has obtained permission to carry out activities including, but not limited to: advising on investments, arranging deals in investments, dealing in investments as agent and managing investments. For further information on Allspring UK's regulated investment activities please refer to the FCA's Financial Services Register at: <https://register.fca.org.uk>.

### **UNITED STATES**

In the US, Allspring UK is:

- an SEC registered investment adviser and
- with respect to commodity trading activity, a registered Commodity Trading Advisor ("CTA") and a Swap Firm with the Commodity Futures Trading Commission ("CFTC") and a member of the National Futures Association ("NFA").

## EUROPE

On January 31, 2020 the UK left the European Union ("EU") with a Withdrawal Agreement and entered a transition period which operated until December 31, 2020. During the course of 2020 and up until the end of the transition period, Allspring UK was permitted to continue providing financial products or services, set up an office or conduct its permitted activities in another country in the European Economic Area ("EEA") using its EU Markets in Financial Instruments Directive II ("MiFID II") 'passport', however, as a result of the end of the transition period, the passporting arrangements that Allspring UK relied upon to provide investment services and activities ceased to apply. Since the end of the transition period, Allspring UK has been able to conduct business with certain EEA countries from the United Kingdom in circumstances where an exemption to a license is available (e.g Ireland) or where there is a Temporary Permissions Regime (TPR) in place that permits UK financial services firms like Allspring UK to continue providing existing and/or new investment services and activities for a certain period of time without the need to apply for a license or be authorized (e.g., Norway). However, providing such activities and services under the TPR must only be aimed at per se professional clients (e.g., institutional) or eligible counterparties (as defined by the FCA).

In addition to its reliance on either an exemption or the TPR, Allspring UK has applied and obtained authorization to undertake investment activities and services using a cross-border license in respect of the following EEA countries:

Belgium – Financial Services and Markets Authority  
Liechtenstein – Financial Market Authority  
Denmark – Financial Supervisory Authority  
Finland – Financial Supervisory Authority

Allspring UK will continue to utilize the temporary permissions regime and apply for a cross-border license from European regulators in order to undertake investment business in selected other European jurisdictions and, as a result, the above list of regulatory licenses is subject to change.

## **SOUTH AFRICA**

In South Africa, Allspring UK is registered with the Financial Sector Conduct Authority as an Authorised Financial Service Provider.

## **AUSTRALIA**

In Australia, Allspring UK is registered with the Australian Securities and Investments Commission.

Allspring UK provides advisory and sub-advisory services on a contract basis to public and private funds and other advisors. In serving as a sub-advisor, Allspring UK oversees the function of portfolio management and related reporting functions only. Because Allspring UK considers the contracting advisor (or fund) as its client, Allspring UK distributes its Form ADV and other disclosures to its client directly and not to the underlying fund shareholders or trust beneficiaries. Allspring UK relies on the contracting advisor to take responsibility for AML/Privacy/Disclosure and counseling of any shareholder-specific inquiries.

Pursuant to agreements with its affiliate, Allspring Funds Management, and the Allspring Funds, Allspring UK provides investment advisory/discretionary portfolio management services (as an investment sub-advisor) to the Allspring Funds, comprising more than \$250 billion in assets. Allspring Funds Management also serves as the investment adviser and administrator to the Allspring Funds.

For certain fixed income teams, Allspring UK and its affiliated investment adviser Allspring Investments share research and analyst reports that each receives and/or produces through combined meetings of analyst and/or portfolio management teams, a central database of research and reports, or as they otherwise deem appropriate. These affiliated investment advisers have determined that their clients generally will benefit from such shared research by effectively broadening the resources of each adviser.

In addition, Allspring UK has chosen to partner with Allspring Investments in the co-management of investment strategies. Pursuant to a service level agreement between them, Allspring UK and Allspring Investments provide various support services to one another, including trade support services.



Allspring UK's use of an affiliated co-manager presents a conflict of interest for Allspring UK because a greater portion of a client's fee remains within the Allspring family of companies than if Allspring UK used a third party to provide these services. Allspring UK's use of an affiliated subadviser or co-manager also could present a conflict of interest because the affiliated subadviser or co-manager could use its discretion to invest a client's assets in affiliated funds and certain investments that provide Allspring with greater aggregate revenue than provided by unaffiliated funds and other investments.

Allspring UK addresses this conflict through disclosure in this Brochure, and through reviews of the quality and continued value of the services provided by its subadvisers or co-managers. Allspring UK will replace a subadviser or co-manager should a determination be made that it is no longer performing satisfactorily. Although judged on similar criteria, Allspring UK evaluates affiliated and unaffiliated advisers differently for a number of reasons, including differences in the services performed. The evaluation process also differs because Allspring UK has more, and continuous, information regarding its affiliates' personnel and risk and compliance procedures, as well as investment processes.

## **NATURE OF CONFLICTS**

Allspring UK's profits vary based on the investments and service providers we select or recommend to clients. When compensation varies based on the investments or service providers we recommend, we have a financial incentive (consciously or unconsciously) to make recommendations that maximize profits, rather than to give clients disinterested advice. Allspring UK's interests directly conflict with a client's interests if other investments and service providers are available to clients that would charge them less, or offer them superior services or performance at the same cost.

This section provides an overview of circumstances in which Allspring UK has an incentive to maximize profits rather than to give clients disinterested advice. Greater detail concerning each conflict, and how Allspring UK seeks to address it, is provided throughout the Brochure.

***Allspring UK has an incentive to select certain investments over others that generate less revenue for its affiliates, by:***

- Recommending or investing in mutual funds and private funds that are managed or sponsored by affiliates;

- Recommending or investing in funds or shares classes of a fund that charge the client administrative, service or sub-transfer agency fees that are passed through to Allspring UK;

***Allspring UK has an incentive to select certain broker-dealers over others based on its interest in the broker-dealer:***

- Offering free services like free research or other back- and middle-office support services;
- Referring clients to us or engaging us as an adviser;
- Offsetting, discounting or crediting fees that Allspring UK (or its affiliates) otherwise owe to the broker-dealer or its affiliates.

***Allspring UK has an incentive to use the advisory services of affiliated advisers, rather than an unaffiliated adviser, because affiliates can profit from Allspring UK:***

- Selecting and retaining an affiliated subadviser or co-manager that earns the advisory fee Allspring UK would otherwise pay to an unaffiliated company/

***Allspring UK has an incentive to offer, recommend or invest in strategies or investments that:***

- Charge the client higher fees (which usually generate higher profits for us than our lower cost offerings);
- Use margin or leverage from short sales to increase the asset value on which Allspring UK's advisory fee is based for clients that pay an advisory fee on their gross account value.

It is important that clients understand how Allspring UK's compensation varies based on our investment recommendations, and how a client's investment returns are affected by differences in investment performance, sales charges, transaction fees, and other ongoing fees and costs. Over time, fees that are deducted from the amount invested by a client (upon purchase and/or sale), or paid out of the assets of an investment on an ongoing basis, reduce the value of a client's investment.

## Item II – Code of Ethics and Conflicts of Interest

### CODE OF ETHICS

Allspring UK has adopted the Allspring Code of Ethics, or “Code,” which contains policies on personal securities transactions initiated by “reporting persons.” These policies comply with Rule 204A-1 under the Advisers Act and Rule 17j-1 under the Investment Company Act of 1940 (“Company Act”). The Code, among other things, permits Allspring UK employees to invest in certain securities, subject to various restrictions and requirements, and requires employees to periodically report their personal securities holdings and transactions and pre-clear certain personal securities transactions.

The Code is designed to detect and prevent violations of securities laws while addressing the fiduciary obligations we owe to you. The Code is comprehensive, is distributed to each employee at the time of hire as a condition of employment, and compliance with its terms must be acknowledged in writing by each employee annually thereafter. Allspring UK supplements the Code with ongoing monitoring of employee activity.

When engaging in personal securities transactions, potential conflicts of interest arise between the interests of our employees and those of Allspring UK’s clients. The Code makes clear that any such conflicts that arise in such personal securities transactions must be resolved in a manner that does not inappropriately benefit our employees or adversely affect our clients.

Allspring UK employees who maintain brokerage or investment accounts for themselves and/or their immediate families are required to provide copies of their reportable securities transactions at the end of every quarter, and all holdings of reportable securities accounts must be reported at the end of every calendar year.

The above restrictions do not apply to purchases or sales of certain types of accounts and securities, including shares of open-end registered investment companies that are unaffiliated with the Allspring Funds family, money market instruments, select ETFs that follow broad based indices and certain U.S. Government securities. To facilitate enforcement, our Code generally requires that our employees submit reports to a designated compliance person regarding transactions involving securities which are eligible for purchase by a Fund.

Our Code is also on public file with, and available from, the SEC. It is also available upon request without charge by contacting us through the information noted on the front cover of this Brochure.

## **ADDITIONAL POTENTIAL CONFLICTS AND CODE CONSIDERATIONS**

The Code does not prohibit personal trading by employees but rather seeks to monitor and manage their trading, and in some cases restrict it subject to certain conditions. In addition, Allspring Investments is affiliated with private fund complexes that hold positions in a variety of financial and other types of businesses. As a result, due to our activities as an investment advisor and manager, it is possible that conflicts will arise from time to time as Allspring UK employees are managing their personal assets concurrent with the ongoing functions related to their employment duties and our fiduciary obligations, or as our affiliated entities or their employees are engaging in their own financial activity. Allspring UK seeks to manage these conflicts by strict application of its Code provisions and policy requirements.

### **Affiliation**

Allspring UK is owned indirectly by an affiliate of funds managed by GTCR and Reverence Capital, each of which is a private investment firm managing funds that hold substantial positions in a variety of portfolio companies and other investments, including registered investment advisers that provide advisory services to a broad array of clients. As such, there may be instances where some of these affiliated entities, including other Allspring advisers, could engage in their own trading involving the same securities that Allspring UK manages on the client's behalf. This means that while Allspring UK is managing its fiduciary duties to the client, other of its affiliated entities could be engaging in transactions that create a conflict (for example, they could be selling the same security that Allspring UK has purchased for its client). In addition, these related persons could recommend their clients transact in the same securities in which an Allspring UK client has a material financial interest. In some instances, it is even possible that an Allspring UK client also has a client relationship itself with one or more of these entities and the client's securities transactions may appear conflicted. With limited exceptions described below, any such affiliates generally are operated independently of Allspring, and these transactions by related persons are determined independently and without the involvement of Allspring UK and are outside of the course and scope of Allspring UK's investment advisory services. However, in order to manage these potential conflicts, Allspring UK maintains a variety of policies to maintain

effective business barriers and manage the confidentiality of its own information and activities, as described further below.

### **Brokerage Transactions with Affiliates**

Allspring UK does not act as principal or broker in connection with client transactions. In order to limit any potential conflicts of interest when engaging in investment transactions on behalf of its client, Allspring UK does not trade with affiliated broker dealers. Allspring UK does not participate in client transactions as a broker or a dealer in securities and does not operate as a broker or a dealer in effecting securities transactions for compensation for any client. This means that in all instances in which Allspring UK transacts in a security on the client's behalf the transaction is effected using an independent third-party broker dealer. While this policy to restrict trading through affiliated broker-dealers limits the potential conflict of interest, Allspring UK could be limited in its ability to engage in certain securities transactions and to take advantage of market opportunities, as discussed in this Brochure, regarding the best execution of transactions. More details on best execution can be found in Item 12.

### **Independent Activity by GTCR and/or Reverence Capital and Their Affiliates**

Certain other portfolio companies affiliated with GTCR and/or Reverence Capital are engaged in the financial services, investment advisory and/or broker-dealer industries and could from time to time recommend securities, proprietary products and/or services to Allspring UK's clients. To the extent such "recommendations" are made, they are made independently by such related persons and without the involvement of Allspring UK and are outside the Allspring UK investment advisory context.

Allspring UK has an incentive to recommend to clients, or buy and sell for clients, securities that generate additional revenue for our affiliates over securities that do not. For example, Allspring has an incentive to recommend mutual funds and private funds that are managed or sponsored by our affiliates. In such cases, Allspring UK follows the requirements and constraints of the client and/or regulatory requirements, which includes the Company Act and the Employee Retirement Income Security Act of 1974 ("ERISA"), where applicable. In general, should Allspring UK inadvertently purchase securities in violation of these rules, the purchase will be deemed a trade error and Allspring UK will make the client whole for any losses suffered in connection with the unauthorized transaction.

## **Participation by Allspring UK in Client Securities Transactions**

Allspring UK provides investment advice and discretionary portfolio management services to a range of clients and it may happen that the firm is making decisions about the same security at the same time for multiple clients. Situations may arise where a particular security is being sold for one client whilst it is being retained or bought by another client; or being bought for one client whilst being sold by another. Investment decisions are client specific, depending on the particular mandate, risk appetite and circumstances of each client e.g., one client might wish to raise cash so Allspring UK might sell a security on which it has a positive view.

Allspring UK may manage accounts for related persons and in such cases generally will have full discretionary powers over the accounts. Other than establishing the investment objectives and policies of the portfolio, the related person generally has no influence or control over the investment decisions made for the account, and no prior knowledge of transactions that take place in the account. However, in certain instances, the related person may have influence or control over the investment decisions.

In the exercise of its discretion, Allspring UK may cause an account to sell a security to another account managed by Allspring UK or one of its affiliates. Any such transaction would be effected in accordance with Advisers Act, and if applicable, the Company Act.

## **Other Potential Client Investment Concerns and Investment Conflicts**

The investment identification, selection and management process could create other potential or actual conflicts for Allspring UK and its clients, including:

- Client accounts invested in collective investment funds (e.g., money market and other mutual funds, private funds, exchange-traded funds) will also bear their proportionate share of fees paid at the fund level. If the fund is sponsored, advised or otherwise serviced by an Allspring company, Allspring UK and/or its affiliates may receive fees that are paid at the fund level.
- Certain types of investments involve leverage or derivative-styled exposure to underlying or reference securities, which affect risk profiles and raise regulatory implications for certain types of clients;
- Some investments are created, managed or issued by entities that engage in social, economic, commercial or political activities that could be deemed objectionable or questionable by certain clients;

- Some investment strategies, such as strategies investing in fixed income securities, are more profitable to Allspring UK than other strategies, creating an incentive for Allspring UK to recommend invest in certain strategies over other strategies.
- Some investments are only available to clients who meet certain investor standards, such as qualified institutional buyer (“QIB”) or qualified purchaser status, or who have considerations or restrictions with respect to investments in private or unregistered transactions or in transactions or regulated by the federal government or state law (e.g., Native American gaming);
- Some investments (either directly, or due to the nature of underlying component assets or derivative structures) involve actual or perceived liquidity constraints that could adversely impact pricing determinations, valuation methodologies, transparency and review of asset composition, and/or the actual marketability and sale of the investment; and,
- The purchase and/or management of some investments involve credit analysis based in whole or in part on information that may not be readily available to the public (e.g., material, non-public information), and that can cause the client to become restricted in trading public securities of that issuer so long as such information remains material and non-public. In addition, investments in the same security by Allspring UK and its affiliated entities may result in increased aggregated exposure across the firm and therefore Allspring UK may be limited in its ability to transact in such security.

To minimize any potential client investment conflicts, Allspring UK manages its investment advisory and discretionary portfolio management services, fee structure, and investment selection process in accordance with pre-established client investment guidelines, the advisory or investment management agreement with the client, and policies and procedures adopted pursuant to Rule 206(4)-7 of the Advisers Act. Allspring UK also maintains a Code of Ethics, firewall procedures and other information barriers to ensure the confidentiality of investment activity for each Allspring UK client is maintained in accordance with applicable law.

Additional actual or potential client investment conflicts and concerns include:

### **Securities of Unaffiliated Issuers**

Allspring UK has an incentive to recommend or select the securities of unaffiliated issuers that are in a position to influence or give business to Allspring UK or its affiliates.



For example, Allspring UK may purchase publicly traded securities of issuers who are also clients of Allspring UK or another Allspring company. In these circumstances, Allspring UK monitors its position and limits size to percentages that are consistent with existing benchmarks or other investment protection principles, and in keeping with the objectives of the applicable strategy. Client investment guidelines and advisory or investment management agreements may also limit in whole or in part the purchase of related securities.

From time to time, Allspring UK may recommend or invest, on behalf of a discretionary client, in a security in which a person associated with Allspring UK has a personal holding/position in. Allspring UK has adopted certain procedures intended to prevent investment professionals and their immediate family from benefiting from any price movements that may be caused by client transactions or Allspring UK's recommendations regarding such securities. Under those procedures, without specific approval, investment professionals are not allowed to purchase securities for their own account or an account in which they have a beneficial interest for a period of time before and after Allspring UK has purchased that security in a client account. Thus, if an investment professional purchases a security in an account in which they have a beneficial interest, they generally cannot cause any client accounts to purchase that security within the stated time period unless circumstances warrant such action without likelihood of non-negligible impact to our clients.

### **Trade Allocation**

Allspring UK engages in transactions in the same security or securities on behalf of a group of accounts in many instances, and will choose to execute trades separately or on an aggregated basis based on Allspring UK's reasonable belief as to economic benefit for the account. Generally, aggregated trades are allocated proportionately among accounts at or near the time of trade execution per these trade allocation policies, but Allspring UK does not maintain a rule that all trades must be allocated pro rata.

Transactions for accounts that are included in a bunched or aggregated order may be executed before, along with, or after transactions in the same security being executed for other Allspring UK clients. Considering Allspring UK's policy to treat all eligible Allspring UK clients fairly and equitably over time, certain allocations, particularly in connection with fixed income trades, frequently deviate from a pro rata basis in order to address legal, tax, regulatory, fiduciary, risk management, and other considerations.



Allspring UK's objective is to ensure that over time, no discretionary account is systematically favored over any other discretionary account as to any available investment for reasons outside of the client's investment guidelines and applicable law.

As part of the pre-trade order indication process, Allspring UK contemplates several factors, including: each account's investment objective(s) and risk exposure; restrictions and investment guidelines; available cash and ongoing liquidity needs; existing holdings of similar securities; and, correlation and deviation to any relevant model portfolio(s).

As noted above, non-pro rata allocations are generally the standard relative to fixed income trades to rebalance portfolios that have experienced cash flows or to address other general account management issues. Moreover, if an aggregated order is not completed for Allspring UK in its entirety, partial fills will be allocated proportionately by Allspring UK, though minimum size and odd lot restrictions will affect the distribution, potentially resulting in an allocation that is not pro rata. As a result, one account may receive a price for a particular transaction that is different from the price received by another account for a similar transaction at or around the same time.

### **Cross Trading**

Subject to applicable law and client restrictions, Allspring UK may, in its discretion, execute buy-sell transactions between accounts that it manages (either on an advisory or sub-advisory basis) without the involvement of a broker-dealer ("cross trades"). Participating accounts in cross trades may include accounts in which Allspring UK and/or its affiliates have an ownership interest. Cross trades present a potential conflict of interest. For example, Allspring UK could have an incentive to favor one of the participating accounts in a cross trade. As a matter of policy, Allspring UK must determine that the cross trade is in the best interests of both parties to the transaction. Any cross trade involving a registered mutual fund account will be executed in accordance with applicable rules under the Company Act, the Advisers Act and procedures adopted by the fund's boards of directors or trustees, which require, among other things, that the securities be priced at an independent market price. Cross trades involving non-mutual fund accounts will be executed in a substantially similar manner in accordance with the Advisers Act and Allspring UK's procedures. When Allspring UK executes a cross trade between its advisory or discretionary accounts, Allspring UK does not receive any brokerage commission with respect to the transaction. While in some situations there may be advantages to effecting a cross trade, Allspring UK seeks to achieve the best qualitative and quantitative execution on each trade and, as a result,

could determine that exposing transactions to the market instead of cross trading is likely to result in best execution. Additional factors considered in determining how to effect a trade where Allspring UK clients have interests on each side of the trade include whether an independent (unaffiliated) broker: (i) provides deeply discounted fees for the trade, including any residual shares; (ii) provides certainty of time/price; and, (iii) exposes the trade to the market for consideration and price reporting. Individual Allspring UK portfolio managers and/or traders will make the determination whether to engage in cross-trade transactions based on their knowledge of the market, liquidity, and potential cost savings.

Allspring UK does not effectuate agency or principal cross trades as a current business practice.

In addition, a portfolio manager may execute transactions for other accounts that may adversely impact the value of securities held by other client accounts. For example, although uncommon, the portfolio manager may manage other accounts that engage in short sales, and could sell short a security for such other account that the account also trades or holds. Although Allspring UK monitors such transactions to attempt to ensure equitable treatment of the holding account and the account that engages in short sales, there can be no assurance that the price of a security held by the account would not be impacted as a result. Additionally, securities selected for a particular account may outperform the securities selected for other accounts managed by the same portfolio manager.

### **New Issue Allocation**

Allspring UK may invest, on behalf of its clients, in securities being sold as a new issue when the investment is deemed to be appropriate and desirable for the client. Portfolio managers take into consideration the following factors when purchasing new issues:

- Client investment objectives;
- Client investment guidelines;
- Existing portfolio holdings;
- Cash availability;
- Asset allocation;
- Regulatory limitations/restrictions; and

- Investment merits of the new issue

## Item 12 – Brokerage Practices

### **BROKERAGE PRACTICES**

Allspring UK generally determines the broker through which securities transactions are to be effected. In selecting brokers for a portfolio transaction, Allspring UK considers factors such as the overall direct net economic results to an account, including both price paid or received and any commissions and other costs paid that may be applicable depending on the asset type/class, the efficiency with which the transaction is effected, the ability to effect the transaction at all where a large block is involved, the availability of the broker to stand ready to execute possibly difficult transactions in the future, responsiveness to Allspring UK, and the financial strength and stability of the broker. Trades are only executed through brokers that are on Allspring UK's Approved Brokers and Market Counterparties list. To be included on this list, brokers/counterparties must satisfy certain criteria concerning financial soundness, regulated status, quality of service and market reputation.

There are no set limits on the commission rates that may be paid to brokers/counterparties but trades are put out to competitive tender wherever possible and performance is calculated after the deduction of any dealing fees or charges. Due to the markets in which Allspring UK operates commission is not normally charged, for example, fixed income trades are executed on a net basis with no commission applied. Markets are usually quoted on a bid-ask basis, with Allspring UK transactions executed on a best-execution basis. Due to the type and nature of the instruments in which it deals, Allspring UK uses a variety of execution venues.

Allspring UK does not sell securities to, or purchase securities from, clients on a principal basis.

### **BEST EXECUTION**

Allspring UK has adopted policies and procedures that are designed to obtain the best possible outcome for client orders bearing in mind any specific instructions from the client, the nature of the order, the features of the products themselves and the type of markets and venues on which they are traded.

There are many criteria to be considered when addressing best execution. The net price

paid or received by the client is a major consideration, but other factors are also considered (e.g. certainty of execution and the reliability of settlement). Allspring UK believes its policy and procedures maximize the possibility of the firm achieving best execution on a consistent basis when assessed over a series of transactions and over time. However, it is not possible to guarantee best execution of all client orders on every occasion. Achieving best execution may be impacted when Allspring UK is acting on specific client instructions.

Allspring UK, as an FCA regulated firm domiciled in the United Kingdom, is required to publish an "Order Execution Policy" outlining the processes for taking all sufficient steps to obtain the best possible results for clients.

Allspring UK's Order Execution policy is aimed at satisfying its fiduciary duty to seek the most favorable execution terms reasonably available given the specific circumstances of each trade ("best execution"). The portfolio manager or trader also researches the security for its suitability, relative value and optimal price, in addition to researching which broker-dealer(s) may be in the best position to provide the best price. With the evolution of electronic trading platforms, portfolio managers and traders are more able to request bids and offers from multiple broker/dealers. In the exercise of its business judgment, Allspring UK in some instances only contacts one broker under conditions noted by policy. Allspring UK considers, and takes sufficient steps in relation to client accounts, inter alia, the following factors for obtaining best execution; each factor, in and of itself, is not construed as a definitive factor, including but not limited to:

- Price
- Costs (implicit and explicit), including broker commission rates where applicable
- Timing and speed of execution
- Likelihood of, and capabilities in, execution, clearance and settlement
- Size of transaction relative to others in the same or similar financial instrument
- Ability to retain anonymity in the market or prevent information leakage, in order to minimize possible market impact
- A counterparty's willingness to commit capital to our transactions
- Financial status and responsibility of a counterparty or broker

- Other appropriate factors, such as client mandate constraints
- Broker-dealer's historic trade performance with Allspring UK
- Efficiency of the broker's back-office operations
- Broker-dealer's ability to provide liquidity and make a "market" for certain securities, including capital commitment and execution platforms which may impose additional mark-ups; and, if applicable, the broker-dealer's ability to facilitate "step-out" trades.

The actual allocation of brokerage business will vary from year to year, depending on Allspring UK's evaluations of all applicable considerations. In no case will Allspring UK make binding commitments as to the level of brokerage commissions it will allocate to a broker, nor will it commit to pay cash if an informal target is not met.

To meet its oversight and governance responsibilities, Allspring UK meets on a quarterly basis to review various situations related to best execution. Allspring UK, together with Allspring Investments, established the Fixed Income Trade Management Committee ("FITMC") to oversee the firm's global fixed income policy and ensure that Allspring UK maintains an effective governance program that complies with all stated policies, including the Order Execution Policy. Neither Allspring UK nor its affiliates sell securities to, or purchase securities from, clients on a principal basis.

Equity best execution is governed by the Commission Trade Management Committee ("CTMC") that oversees the firm's equity (not applicable to Allspring UK), futures and FX trade execution quality, commission management, Section 28(e) compliance, and equity investment research costs.

## **RESEARCH**

For all client accounts, research will be obtained by Allspring UK by hard dollars. Under certain situations, Allspring UK may utilize minor non-monetary benefits in the receipt of research services. The minor non-monetary benefits will be received as long as they enhance the quality of service provided to the client and do not impair the manager's duty to act in the best interests of the client. Allspring UK believes it is important to its investment decision-making process to have access to independent research. Brokerage and research services provided by brokers may include, among other things, effecting securities transactions and performing services incidental thereto (such as clearance, settlement, and custody), and providing information regarding: the economy; industries; sectors of securities; individual companies; statistical information;

taxation; political developments; legal developments; technical market action; pricing and appraisal services; credit analysis; risk measurement analysis and performance analysis. Such research services are received primarily in the form of written reports, telephone contacts and personal meetings with security analysts. In addition, research services could take the form of access to various computer-generated data, and meetings arranged with corporate and industry spokespersons, economists and government representatives.

### **SHARED RESEARCH**

Allspring UK and its affiliated investment adviser Allspring Investments share research and analyst reports that each receives and/or produces through combined meetings of analyst and/or portfolio management teams, a central database of research and reports, or as they otherwise deem appropriate. These affiliated investment advisers have determined that their clients generally will benefit from such shared research by effectively broadening the resources of each adviser.

### **DIRECTED BROKERAGE**

Allspring UK does not participate in any directed brokerage arrangements.

### **SOFT DOLLAR ARRANGEMENTS**

Allspring UK does not participate in soft dollar arrangements (practices whereby a broker agrees to provide some service or benefit to the firm in return for placing orders with the broker).

### **TRADE AGGREGATION**

Investment decisions for each client are made independently, but the same decision may be made contemporaneously for a range of clients with similar objectives or for those invested in similar strategies. This means that we may be buying or selling the same security at or about the same time for more than one client.

In such cases, Allspring UK may aggregate similar trades and execute the trade as a single block. In certain circumstances, for example where portfolios/funds are co-managed with Allspring Investments, trades may also be aggregated with trades on behalf of clients of Allspring UK's affiliates. When transactions are aggregated, the

securities purchased or sold will be allocated among the participating accounts in a fair and equitable manner. The actual prices applicable to the aggregated transactions will be averaged, and the accounts will be deemed to have purchased or sold their proportionate share of the securities involved at the average price.

Allspring UK will not aggregate transactions unless it believes that it is in the best interests of clients to do so. Aggregation is subject to regulatory requirements, the firm's duty to achieve best execution and the terms of its agreement with the client. However, there is no assurance that aggregation of transactions will benefit all clients equally, and in some instances combined orders could adversely affect the price or volume of a security. Also, it is possible that Allspring UK may not aggregate trades in circumstances where it would have been beneficial to do so. A potential conflict of interest could arise if orders for a client do not get fully executed due to being aggregated with orders of other accounts managed by Allspring UK. Where orders are partially filled, the trades will be allocated on a pro-rata basis.



## **Item 13 – Review of Accounts**

### **ACCOUNT REVIEW**

Allspring UK periodically reviews client accounts. A portfolio management team is assigned to each account and is responsible for monitoring and maintaining compliance with client-specific guidelines. A portfolio risk management team monitors risks, intended and unintended, in an effort to help the portfolio management team manage accounts consistent with client expectations. Portfolio risk reports are generated and monitored on a daily basis. On a monthly basis, relevant counterparty, derivative, and product specific risks are reviewed with the firm's Chief Investment Officer(s) and/or any respective investment team heads (Global Fixed Income, Credit Europe and Multi-Asset Solutions). On a quarterly basis, reviews are conducted with senior management, portfolio managers, and investment risk professionals in order to analyze individual portfolio performance, strategy, and risk.

Additionally, Allspring UK and its individual Client Relationship or Client Service Managers engage in an annual comprehensive investment review with the client to ensure client account investments are updated to comply with any changes in the applicable laws, regulations, policies and procedures, and investment guidelines.

Additional compliance procedures are in place to review portfolio and account activity for conformity with client investment guidelines, best execution and other considerations. As part of the monitoring process, Operations and Allspring Compliance utilizes compliance and trade order management systems to provide automated compliance review on a daily basis. Alerts on these systems are monitored by Operations personnel with an independent review by Compliance personnel, and any warnings are researched and cleared in a timely manner.

### **CLIENT REPORTING**

The nature and frequency of client reporting depends on the needs and requirements of the client and any applicable regulatory requirements. The frequency with which reports are disseminated to clients is normally covered in the advisory or investment management agreement, however, generally, reports are sent either monthly or quarterly. Reports contain information including a portfolio review showing high-level balances and changes over the time period, performance vs the benchmark for various periods, holdings as at the end of the period and transactions executed during the

period.

Reports may be provided to a client in electronic format, hardcopy or a combination of these media.

## **Item 14 – Client Referrals and Other Compensation**

The distribution of investment products and services is dependent on interrelationships among Allspring UK, its affiliates, and other entities in support of these activities. There exist certain potential or actual conflicts of interest within these interrelationships, including marketing or sponsorship arrangements with third-parties, sub-advisers and brokerage firms to promote the distribution of proprietary investment products including, but not limited to, variable products, mutual funds, managed accounts or the general enhancement of the "Allspring" marketing image. Such parties, e.g., sub-advisers, may concurrently have advisory, distribution, or other relationships with Allspring UK. These arrangements could result in additional assets under management to Allspring UK to the direct or indirect benefit of clients of the firm.

Allspring UK may permit certain designated persons (referred to as "Solicitors") to refer potential business to Allspring UK. Under this arrangement, Allspring UK would pay a portion of the referred client's management fee earned by Allspring UK to the referring party. Any Solicitor will be required to conduct solicitation functions in accordance with Rule 206(4)-3 under the Advisers Act and the laws of the country in which such solicitation is made. Payments to Solicitors may range, depending on the type of investment vehicle.

The referral fee will be borne solely by Allspring UK and not the referred client.

## **Item 15 – Custody**

Allspring UK does not have permission by the UK's FCA to hold client assets or money and as such Allspring UK does not maintain physical custody of its clients' assets or monies. Client assets are, however, maintained in the custody of broker-dealers, banks and other qualified custodians. Clients should receive account statements from their bank, broker-dealer or other qualified custodian, in addition to any account information that they may receive from Allspring UK. Allspring UK urges clients to carefully review their account information and compare official custodial records to the account information provided by Allspring UK which could vary from custodial information based on accounting procedures, reporting dates, or valuation methodologies of certain securities. It is in the client's best interests to carefully review all statements received from the custodian and Allspring UK and raise any queries promptly with the relevant parties. For tax and other purposes, the statement received from the custodian is the official record of the client's account(s) and assets.

## Item 16 – Investment Discretion

### DISCRETIONARY AUTHORITY

As described in Item 4, Allspring UK manages investment portfolios on a discretionary basis according to each client's investment objective, risk profile, and investment guidelines. Discretionary authority is granted to Allspring UK by the client through the execution of a written investment advisory agreement. The client may limit Allspring UK's discretionary authority through the terms of the agreement. Absent instructions to the contrary from the client, Allspring UK may exercise its discretionary authority to determine, without obtaining specific client consent, the securities to be bought or sold for a client's account, the amount of securities to be bought or sold for a client's account, the broker-dealer to be used for the purchase or sale of securities for a client's account, and the commission rates to be paid to a broker dealer for the securities transactions in a client's account. Generally, Allspring UK's clients grant it full discretionary authority over the purchase and sale of securities for their accounts, subject to the investment objectives and guidelines that are established by written agreement between Allspring UK and the client at the time the account is opened.

Certain clients may also require prior approval of investment transactions or request to be advised before certain investment transactions are effected. Where Allspring UK serves as an investment adviser to a fiduciary account for a trust, prior approval is often required by the trustee or grantor of the trust.

For registered investment companies sub-advised by Allspring UK, the respective Board of Directors, Managers or Trustees of such companies establish guidelines and restrictions which Allspring UK complies with in respect to investment strategies that include the type of securities to be bought and sold. Such guidelines can be found in each fund's prospectus and Statement of Additional Information.

## **Item 17 – Voting Client Securities (i.e., Proxy Voting)**

Allspring UK has and accepts the authority to vote proxies on behalf of its clients. Allspring UK has adopted the Proxy Voting Policies and Procedures (the “Procedures”) in accordance with Rule 206(4)-6 under the Advisers Act in an effort to ensure that proxies are voted in the best interests of its clients without regard to any relationship that any affiliated person of Allspring UK (or an affiliated person of such affiliated person) may have with a particular issuer. Allspring UK exercises its voting responsibility as a fiduciary with the goal of maximizing value to clients consistent with governing laws and the investment policies and specific requirements of each client.

Allspring UK has put in place a custom voting policy (the “Policy”) to implement the Allspring voting principles and to make every effort to ensure the manner in which securities are voted is in the best interest of clients. An independent, unaffiliated proxy voting adviser to assist in the implementation of certain proxy voting-related functions including: 1) Providing research on proxy matters 2) Providing technology to facilitate the sharing of research and discussions related to proxy votes 3) Vote proxies in accordance with Allspring’s guidelines 4) Handle administrative and reporting items 5) Maintain records of proxy statements received in connection with proxy votes and provide copies/analyses upon request. Except in instances where clients have retained voting authority, Allspring retains the responsibility for proxy voting decisions. A key feature of the Allspring proxy process relates to integrating ESG factors into its proxy process. Allspring considers ESG focused research as a point of reference in certain cases deemed to be material to a company’s long term shareholder value.

A Proxy Governance Committee (the “Proxy Committee”) has been established that is responsible for the proxy voting process and ensuring that the voting process is implemented in conformance with the Procedures. The Proxy Committee monitors the Proxy Voting Company and the voting process and votes proxies or directs the Proxy Voting Company on how to vote. As a general matter, proxies are voted consistently in the same manner when securities of an issuer are held by multiple accounts.

Due to the fact that Allspring UK currently manages portfolios of fixed income securities, index exposures, futures, forwards and swaps, all of which rarely carry voting rights and in respect of which proxies are rarely solicited, Allspring UK does not anticipate any proxy voting activity. However, if the situation does arise whereby Allspring UK does proxy vote Allspring UK may have a conflict of interest regarding a proxy to be voted if, for example, Allspring UK or one of its affiliates has a relationship with the issuer of a proxy. In most instances, conflicts of interest are avoided through a

strict and objective application of the voting guidelines. However, when Allspring UK is aware of a material conflict of interest regarding a matter that would otherwise be considered on a case-by-case basis by the Proxy Committee, the Proxy Committee will address the material conflict by using any number of specified conflict management methods.

While Allspring UK uses its best efforts to vote proxies, in certain circumstances, it is impractical or impossible for it to vote proxies (e.g., limited value or unjustifiable costs). Due to these restrictions, Allspring UK will balance the benefits to the clients of voting proxies against the potentially serious portfolio management consequences of a reduced flexibility to sell the underlying shares at the most advantageous time. As a result, Allspring UK will generally not vote those proxies in the absence of an unusual, significant vote or compelling economic importance.

To the extent Allspring UK votes proxies, it will provide any records with regard to how it voted proxies for a client's securities upon the client's request. Clients may also obtain a copy of Allspring UK's proxy voting policies and procedures upon request. Such requests may be made by the client by contacting their Relationship Manager directly, or by calling 1-800-259-3305 or emailing: [Allspring.ClientAdministration@Allspring-global.com](mailto:Allspring.ClientAdministration@Allspring-global.com).

## **Item 18 – Financial Information**

There has been no material adverse change in the financial condition of Allspring UK that is reasonably likely to impair its contractual commitments to clients, and it has not been the subject of any bankruptcy petition.



## **Item 19 – Requirements for State-Registered Advisers**

Not applicable.