

Allspring Core Exclusions

The Core Exclusions have been created to assist with design consistency across certain products within Allspring. They are likely to be applied to most ESG-focused products, relative to their investments in corporate securities. Some products may include fund-specific exclusions rather than – or in addition to – the Core Exclusions, depending on the specific investment strategy and its objectives.

An Allspring ‘Exclusions Working Group’ includes stakeholders across investment teams, sustainability experts, product and operations, and meets on a regular basis to ensure the Core Exclusions criteria remain fit for purpose and aligned with evolving expectations. The group reviews the criteria, at a minimum, on an annual basis. As a result, the Core Exclusions may be updated without notice.

In an effort to carry out negative screening in accordance with the Core Exclusions, Allspring has engaged with third-party data provider Sustainalytics to provide ESG research on a company’s involvement in products and services, and revenue analysis, related to certain activities. The costs associated with Sustainalytics data are borne by Allspring or an affiliate thereof and not by any sub-fund. Please note, third-party data providers are subject to change.

Following is a list of the Core Exclusions, and respective thresholds, to be applied to potential investments (excluding derivatives and underlying investment funds). In most cases, thresholds are based on percentage of revenue as reported by Sustainalytics. Companies whose activities that exceed these threshold levels are excluded.

Category	Allspring Core Exclusions Threshold (Percentage of revenue)
❖ Controversial weapons	
- Cluster	0
- Chemical	0
- Biological	0
- Anti-personnel mines	0
- Nuclear weapons and companies involved in nuclear weapons even though they are domiciled in countries like the US that fall under the non-proliferation treaty	0
❖ Civilian small arms	
- Civilian customers (assault weapons)	0
- Retail/distribution (assault weapons)	5
- Civilian customers (non-assault weapons)	0
- Retail/distribution (non-assault weapons)	5
❖ Tobacco	
- Production	0
- Retail (for example, sales of tobacco)	5

Category	Allspring Core Exclusions Threshold (Percentage of revenue)
- Related products/services	25
❖ Thermal coal	
- Extraction	0
- Power generation	50
❖ Oil sands	
- Extraction	5
❖ UN Global Compact violators	Non-compliant

In principle, all issuers that comply with the above criteria can be invested into the Sub-Fund. In the situation that an issuer is reclassified and no longer meets the threshold of the negative screen, the Sub-Investment Manager will seek to sell the instrument in the best interest of the shareholders as soon as reasonably possible.

The negative screen will be implemented by the Sub-Investment Manager with further oversight performed by the Management Company. The Sub-Investment Manager conducts daily reviews and monthly reporting is provided to the Management Company.