

# CoreBuilder® Core Plus Managed Account

## BENCHMARK:

Bloomberg U.S. Aggregate Bond Index

## PORTFOLIO MANAGEMENT

Name Industry Start Date

Janet Rilling, CFA, CPA 1996

Portfolio Manager

Christopher Kauffman, CFA 1997

Portfolio Manager

Noah Wise, CFA 2001

Portfolio Manager

Michael Schueller, CFA 1998

Portfolio Manager

Michal Stanczyk 2006

Portfolio Manager

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All investing involves risks, including the possible loss of principal. Bond values fluctuate in response to the financial condition of individual issuers, general market and economic conditions, and changes in interest rates. Changes in market conditions and government policies may lead to periods of heightened volatility in the bond market and reduced liquidity for certain bonds held in the portfolio. In general, when interest rates rise, bond values fall and investors may lose principal value. Interest rate changes and their impact on the strategy can be sudden and unpredictable. Loans are subject to risks similar to those associated with other below-investment-grade bond investments, such as credit risk (for example, risk of issuer default), below-investment-grade bond risk (for example, risk of greater volatility in value), and risk that the loan may become illiquid or difficult to price. The use of derivatives may reduce returns and/or increase volatility. This strategy is exposed to foreign investment risk, high yield securities risk, and mortgage- and asset-backed securities risk. Consult the embedded fund's prospectus for additional information on these and other risks.

## Investment objective

Our team aims to deliver total return in excess of the benchmark, the Bloomberg U.S. Aggregate Bond Index, by using a risk-conscious, relative value approach to pursue upside potential, produce income for shareholders, and manage downside risk. Our relative value focus helps identify opportunities through active management resulting from duration, yield curve, sector, quality and currency positioning, and issue selection. Dedicated sector specialists conduct bottom-up research to uncover wide-ranging portfolio opportunities.

## Investment process

- Seeks to achieve compelling risk-adjusted returns by using a relative value framework for duration (within one year of the benchmark), yield curve positioning, sector allocation, and security selection decisions
- Allows our portfolio managers to strategically allocate up to 35% in plus sectors, including high yield debt, emerging market debt, and non-U.S.-dollar corporate and government debt
- Combines a top-down and bottom-up approach and uses a six-month investment horizon to anticipate market cycles and then position the portfolio accordingly
- May be used as a foundational fixed income allocation, with portfolio managers responsible for tactically allocating to plus sectors in an effort to enhance the fund's total return

## Portfolio architecture

The portfolio consists of two building blocks. More than half of the portfolio is composed of individual fixed income securities selected to match broad market characteristics. Up to half of the portfolio is invested in a well-diversified fixed income fund to provide tactical market exposures.

## Supplemental information

Annualized returns (%)							
	3 months <sup>1</sup>	YTD <sup>1</sup>	1 year	3 years	5 years	10 years	Since inception
Composite — Pure Gross <sup>2</sup> (incept 2-1-16)	2.59	2.59	5.51	1.02	1.99	–	3.40
Composite — Net <sup>3</sup>	2.21	2.21	3.93	-0.49	0.47	–	1.86
Bloomberg U.S. Aggregate Bond Index	2.78	2.78	4.88	0.52	-0.40	–	1.59

The Bloomberg U.S. Aggregate Bond Index is a broad-based benchmark that measures the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid adjustable-rate mortgage pass-throughs), asset-backed securities, and commercial mortgage-backed securities. You cannot invest directly in an index.

Credit quality <sup>4</sup> (%)			Sector allocation <sup>5</sup> (%)		
Rating	Portfolio	Benchmark		Portfolio	Benchmark
Derivatives	0.01	0.00	ABS	9.35	0.45
AAA/Aaa	4.37	3.35	Agencies	0.43	1.27
AA/Aa	50.72	73.33	CLO	0.54	0.00
A/A	15.98	11.29	CMBS	2.94	1.50
BBB/Baa	15.89	12.03	CMO	2.44	0.00
BB/Ba	5.10	0.00	Corporate bonds	33.94	24.02
B/B	2.20	0.00	Derivatives	0.01	0.00
CCC/Caa and below	0.04	0.00	ETF/Mutual Fund	0.20	0.00
Not rated	5.69	0.00	Local authorities	0.03	0.73
			MBS	29.49	24.87
			Sovereign	0.80	1.03
			Supranational	0.12	1.33
			Treasuries	19.72	44.80

## Portfolio characteristics

Statistic	Portfolio	Benchmark
Effective maturity	9.32 years	8.57 years
Duration	6.07 years	5.96 years
Average current yield	4.88%	3.80%
Yield to worst	5.23%	4.59%

**Performance is historical and does not guarantee future results.** For more information, please refer to the attached GIPS composite report. Credit quality and characteristics are based on a representative account. CoreBuilder Shares are a series of investment options within the separately managed accounts advised or subadvised by Allspring Funds Management, LLC. The shares are fee-waived mutual funds that enable certain separately managed account investors to achieve greater diversification than smaller managed accounts might otherwise achieve. Allspring Global Investments, LLC, provides the sub-advisory services for the Allspring Funds Management retail managed account product.

1. Returns of less than one year are not annualized. 2. The gross performance data is a pure gross-of-fees return and does not reflect the deduction of any management fees or transaction costs. 3. The net return is calculated based on the gross returns reduced by a typical 1.5% maximum annual wrap fee that could be charged to an account. 4. The ratings indicated are from Standard & Poor's, Fitch, and/or Moody's Investors Service. If a security was rated by all three rating agencies, the middle rating was used. If a security was rated by two of three rating agencies, the lower rating was used. If a security was rated by one of the agencies, that rating was used. 5. Sector weightings are based on a model portfolio and may not add up to 100% due to rounding.



## GIPS® Composite Report

Period	"Pure" Gross Annual Return (%)	Net Annual Return (%)	Primary Index Return (%)	Composite 3-Yr Std. Dev. (%)	Primary Index 3-Yr Std. Dev. (%)	Internal Dispersion (%)	Number of Accounts	Composite Assets (\$-mm)	Total Firm Assets (\$-mm)
2024	2.38	0.85	1.25	8.24	7.72	N/A	490	480.50	458,112
2023	7.13	5.53	5.53	7.64	7.14	N/A	1	0.99	432,838
2022	-13.41	-14.71	-13.01	6.83	5.77	N/A	1	0.92	374,321
2021	0.58	-0.92	-1.54	4.27	3.35	N/A	1	2,540.84	483,747
2020	12.08	10.42	7.51	4.30	3.36	N/A	1	1,733.83	508,914
2019	9.89	8.26	8.72	2.54	2.87	N/A	1	1,016.66	419,579
2018	0.21	-1.28	0.01	N/A	N/A	N/A	1	553.43	371,582
2017	6.09	4.52	3.54	N/A	N/A	N/A	1	576.15	385,111
02/01/16-12/31/16	5.86	4.42	1.25	N/A	N/A	N/A	1	511.73	330,718

**Primary Index:** Bloomberg U.S. Aggregate Bond

"Pure" gross annual returns do not reflect the deduction of any expenses, including trading costs. "Pure" gross returns are supplemental to the net returns.

Through March 31, 2022, institutional accounts represent 100% of the Composite assets. As of April 1, 2022, wrap accounts represent 100% of the Composite assets.

Source: Allspring Global Investments

Allspring Global Investments (Allspring) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Allspring has been independently verified for the periods January 1, 1997 - December 31, 2023. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

For the purpose of complying with GIPS, the GIPS firm is defined as Allspring. Since the GIPS firm's creation in 1996, the firm has acquired a number of investment teams and/or assets through mergers or acquisitions which include assets and/or investment teams from Wells Capital Management, EverKey Global Partners, Wells Fargo Asset Management (International) Limited, Analytic Investors, LLC, Golden Capital Management, LLC, Wells Fargo Asset Management Luxembourg S.A. and Wells Fargo Funds Management, LLC (WFFM).

The CoreBuilder Core Plus Managed Account Composite (Composite) seeks to achieve risk adjusted returns by using a relative-value framework for duration, yield-curve positioning, sector allocation and security selection. The portfolio consists of two building blocks. More than half of the portfolio is comprised of individual taxable bond securities. Up to half of the portfolio is invested in a well-diversified Allspring core plus bond fund (i.e., the CoreBuilder Shares – Series CP Fund) to provide tactical market exposures. Investment results are measured versus the Bloomberg U.S. Aggregate Index. Prior to April 1, 2022, Composite accounts were invested using an opportunistic sector rotation of investment grade, high yield, non-U.S. dollar sovereign and emerging market debt. The investment grade portion of the portfolio was typically diversified across treasuries, agencies, mortgages, corporate obligations and asset backed securities. The high yield portion of the portfolio invested up to 2% in CCC-rated securities while maintaining an overall high yield credit quality of BB. The maximum allocations to high yield and international securities were approximately 25% and 20%, respectively, and the maximum total allocation to high yield and international securities was approximately 35%. Certain accounts included in the Composite had the ability to invest up to 5% of their assets in futures, swaps, forward contracts and foreign exchange for the purposes of managing risk and/or enhancing portfolio returns. Prior to April 1, 2022, the minimum market value for this Composite was \$5 million. Effective June 1, 2024, the minimum market value for this Composite is \$150,000. The wrap-free portfolios in this discipline have been sub-advised by Allspring Global Investments, LLC since inception. The Composite creation date is April 1, 2022; the Composite inception date is February 1, 2016. Through March 31, 2022, institutional accounts represent 100% of the Composite assets. As of April 1, 2022, wrap accounts represent 100% of the Composite assets. From April 1, 2022, to July 31, 2024, a non-fee-paying account represents 100% of the Composite assets. From August 1, 2024 to October 31, 2024 a non-fee-paying account represents less than 4% of the Composite assets.

Composite returns are expressed in US dollars and reflect the reinvestment of dividends and other earnings. A wrap-free account is an account under which a client is charged a specified fee or fees not based directly on transactions in the client's account for investment advisory services and execution of client transactions. A typical wrap-free account client pays an all-inclusive "wrap fee" for the advisory, brokerage, custody and other services associated with the account. Net returns are net of the maximum wrap account fee, which includes commissions and transaction costs and are calculated by deducting 1/12th of the annual wrap fee from the Composite's monthly pure gross return. Actual fees may vary depending on the applicable fee schedule. The maximum fee used for the portfolios in the strategy is 1.50%. Some accounts in the Composite may pay commissions in addition to the wrap fee. Additional information regarding Allspring's policies for valuing investments, calculating performance and preparing GIPS Composite Reports is available upon request. A list of composite descriptions, a list of limited distribution pooled fund descriptions, and a list of broad distribution pooled funds are available upon request.

Internal dispersion is the equal weighted standard deviation of the annual gross returns of all accounts included in the Composite for the entire year. For years where there are 5 or fewer accounts in the Composite for the entire year, dispersion is not presented as it is not a meaningful statistical calculation. The 3-year annualized standard deviation measures the variability of the gross Composite returns and the index returns over the preceding 36-month time period. The notation "N.A." (not available) will appear for periods, if any, where 36 monthly returns are not available for the Composite and/or the index.

Actual performance results may differ from Composite returns, depending on the size of the account, investment guidelines and/or restrictions, inception date and other factors. Performance for some accounts in this Composite may be calculated by third parties that use different security pricing and performance methodologies. **Past performance is not indicative of future results.** As with any investment vehicle, there is always the potential for gains as well as the possibility of losses. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

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