

# Utility and Telecommunications Fund

Inst: EVUYX | Admin: EVUDX | A: EVUAX | C: EVUCX

## Asset class: U.S. Equity

### THE FUND

The Allspring Utility and Telecommunications Fund seeks total return consisting of current income and capital appreciation by investing principally in securities of utility and telecommunication companies across all market capitalizations.

### FUND STRATEGY

- Selects stocks based on the evaluation of factors such as dividend payouts, dividend growth and market capitalization. Review of company fundamentals, such as valuation, earnings growth and financial condition, helps the portfolio managers focus on companies with dividends that appear reasonably sustainable with potential for moderate dividend growth.
- The team seeks a diversified, but focused, portfolio of companies with the ability to regularly raise dividends and seeks to provide investors positive risk adjusted returns with focus on downside risk management during periods of market stress.

### FUND MANAGERS

Name	Yrs experience
Kent Newcomb, CFA	39
Andy Smith, CFA	29

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Expense ratios (%)	Gross	Net
Institutional Shares	0.85	0.72
Administrator Shares	1.10	0.92
Class A Shares	1.17	1.04
Class C Shares	1.92	1.79

## Competitive advantages

- Focus on utility and telecommunication stocks: Holdings are typically less correlated to the broader stock market than many other, more diversified equity funds while providing a higher level of income potential. A focus on utility and telecommunication stocks seeks to provide higher and more stable income production and a lower correlation of returns relative to the broader market. This creates the potential to reduce volatility within the context of an investor's diversified investment portfolio.
- Dividend-focused approach: The team can opportunistically allocate across the utilities or telecommunication services sectors, while seeking complementary allocations to other sectors. We focus on sustainable underlying business performance. Our approach combines a thorough understanding of the business, a realistic view of the operating environment, testing of our view with quantitative screens, and a collegial but challenging review process. We believe companies that have a history of consistently increasing dividends have significant signaling qualities, the ability and willingness of management to return capital to shareholders, sustainable competitive advantages, and is financially strong and allocates capital prudently and effectively.

## Sector allocation (%)<sup>1</sup>

	Fund	S&P 500 Utilities Index <sup>2</sup>
Utilities	81	100
Communication services	5	—
Financials	3	—
Health care	3	—
Information technology	3	—
Real estate	3	—
Consumer discretionary	2	—
Consumer staples	1	—

Sector allocation is subject to change and may have changed since the date specified. Percent total may not add to 100% due to rounding.

## Annual Returns

Total returns (%)	Annualized					
	3 Month	YTD	1Y	3Y	5Y	10Y
Institutional Shares	16.85	25.15	34.99	8.20	7.06	9.03
Administrator Shares	16.84	24.99	34.80	7.99	6.86	8.83
Class A Shares	16.80	24.87	34.64	7.87	6.73	8.67
<i>Including sales charge</i>	10.08	17.69	26.89	5.76	5.47	8.03
Class C Shares	16.56	24.17	33.65	7.05	5.92	8.02
<i>Including sales charge</i>	15.56	23.17	32.65	7.05	5.92	8.02
S&P 500 Utilities Index <sup>2</sup>	19.37	30.63	41.82	11.66	7.99	10.41
Lipper Utility Funds <sup>3</sup>	17.45	26.17	37.19	10.56	7.36	8.36

**Figures quoted represent past performance, which is no guarantee of future results, and do not reflect taxes that a shareholder may pay on an investment in a fund.** Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted and assumes the reinvestment of dividends and capital gains. Current month-end performance is available at the funds' website, [allspringglobal.com](http://allspringglobal.com). Administrator and Institutional Class shares are sold without a front-end sales charge or contingent deferred sales charge. For Class A, the maximum front-end sales charge is 5.75%. For Class C, the maximum contingent deferred sales charge is 1.00%. Performance shown without sales charges would be lower if sales charges were reflected. Performance including sales charge assumes the sales charge for the corresponding time period.

The manager has contractually committed through 7-31-2025, to waive fees and/or reimburse expenses to the extent necessary to cap the fund's total annual fund operating expenses after fee waivers at 1.04%(A), 1.79%(C), 0.92%(Admin) and 0.72%(I). Brokerage commissions, stamp duty fees, interest, taxes, acquired fund fees and expenses (if any), and extraordinary expenses are excluded from the expense cap. Prior to or after the commitment expiration date, the cap may be increased or the commitment to maintain the cap may be terminated only with the approval of the Board of Trustees. Without this cap, the fund's returns would have been lower. The expense ratio paid by an investor is the net expense ratio (the total annual fund operating expenses after fee waivers) as stated in the prospectus.



# Utility and Telecommunications Fund

Performance and volatility measures (3 year) <sup>†</sup>	Fund (INST class shares)
Alpha	-2.03%
Beta	0.89
Sharpe Ratio	0.28
Standard Deviation	16.15%
R-Squared	97%
Information Ratio	-0.98

Top holdings (%)	Percent
NextEra Energy, Inc.	12.46
Constellation Energy Corporation	6.12
Southern Company	5.99
Sempra	4.44
American Electric Power Company, Inc.	4.42
Duke Energy Corporation	4.28
DTE Energy Company	3.87
Atmos Energy Corporation	3.42
CMS Energy Corporation	3.32
Public Service Enterprise Group Inc	3.25

Portfolio holdings are subject to change and may have changed since the date specified. The holdings listed should not be considered recommendations to purchase or sell a particular security.

Investing involves risk, including the possible loss of principal. Stock values fluctuate in response to the activities of individual companies and general market and economic conditions. Funds that concentrate their investments in limited sectors, such as utilities and telecommunication services, are more vulnerable to adverse market, economic, regulatory, political, or other developments affecting those sectors. Non-diversified funds are more vulnerable to market or economic events impacting issuers of individual portfolio securities than a diversified fund. Consult the fund's prospectus for additional information on these and other risks.

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<sup>†</sup>**Alpha** measures the excess return of an investment vehicle, such as a mutual fund, relative to the return of its benchmark, given its level of risk (as measured by beta). **Beta** measures fund volatility relative to general market movements. It is a standardized measure of systematic risk in comparison to a specified index. The benchmark beta is 1.00 by definition. **Sharpe ratio** measures the potential reward offered by a mutual fund relative to its risk level. The ratio uses a fund's standard deviation and its excess return to determine reward per unit of risk. The higher the Sharpe ratio, the better the fund's historical risk-adjusted performance. **Standard deviation** of return measures the average deviations of a return series from its mean and is often used as a measure of risk. **R-squared** is a measurement of how similar a fund's historical performance has been to that of the benchmark. The measure ranges from 0.00, which means that the fund's performance bears no relationship to the performance of the index, to 1.00, which means that the fund's performance was perfectly synchronized with the performance of the benchmark. **Information ratio** measures how much the fund outperformed the benchmark per unit of additional risk taken. This value is determined by taking the annualized excess return over a benchmark and dividing it by the standard deviation of excess return. \* Calculated based on a three-year period. Relative measures are compared with the S&P 500 Utilities Index<sup>2</sup>. **1.** Sector allocation is a breakdown of the Fund's investments based on the S&P Global Industry Classification Standard (GICS), a breakdown of market sectors used by Standard & Poor's. **2.** The S&P 500 Utilities Index is a market-value-weighted index that measures the performance of all stocks within the utilities sector of the S&P 500 Index. You cannot invest directly in an index. **3.** The Lipper averages are compiled by Lipper, Inc., an independent mutual fund research and rating service. Each Lipper average represents a universe of funds that are similar in investment objective. You cannot invest directly in a Lipper average.

Class A and Class C require a minimum initial investment of \$1000 and minimum subsequent purchase of \$100 for regular accounts.

Note: Not all Share Classes may be available at all firms.

*Carefully consider a fund's investment objectives, risks, charges, and expenses before investing. For a current prospectus and, if available, a summary prospectus, containing this and other information, visit [allspringglobal.com](https://allspringglobal.com). Read it carefully before investing.*

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Fund characteristics	Fund	S&P 500 Utilities Index <sup>2</sup>
P/E (Trailing 12 month)	21.80x	22.13x
P/B	2.74x	2.40x
Median market cap (\$B)	48.49	28.50
5 Year earnings growth (historic)	3.99%	3.99%
Portfolio turnover	3.92%	—
Number of holdings	34	31

## Fund information

**Advisor:** Allspring Funds Management, LLC

**Sub-Advisor:** Allspring Global Investments, LLC

**Fund inception date:** 1/4/1994

**Distribution frequency:** Quarterly

**Fiscal year-end:** March 31

**Fund assets (\$M):** 357.05

**Morningstar category:** Utilities

Share class information	Class inception date	NAV	YTD high-low NAV	Class assets (\$M)
Institutional Shares	2/28/1994	\$20.17	\$20.18/\$15.78	\$34.97
Administrator Shares	7/30/2010	\$20.24	\$20.24/\$15.82	\$2.73
Class A Shares	1/4/1994	\$20.19	\$20.19/\$15.79	\$317.18
Class C Shares	9/2/1994	\$20.34	\$20.34/\$15.89	\$2.16