



Allspring Minnesota Tax-Free Fund

Annual Report

JUNE 30, 2023

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The views expressed and any forward-looking statements are as of June 30, 2023, unless otherwise noted, and are those of the Fund's portfolio managers and/or Allspring Global Investments. Discussions of individual securities or the markets generally are not intended as individual recommendations. Future events or results may vary significantly from those expressed in any forward-looking statements. The views expressed are subject to change at any time in response to changing circumstances in the market. Allspring Global Investments disclaims any obligation to publicly update or revise any views expressed or forward-looking statements.

**ANDREW OWEN**

President
Allspring Funds

“ Markets rebounded from a rough first half of the calendar year in July 2022, led by U.S. stocks. While U.S. economic activity showed signs of waning, the country’s labor market remained strong. ”

Dear Shareholder:

We are pleased to offer you this annual report for the Allspring Minnesota Tax-Free Fund for the 12-month period that ended June 30, 2023. Globally, stocks and bonds experienced heightened volatility through the period. The market was focused on persistently high inflation and the impact of ongoing aggressive central bank rate hikes. Compounding these concerns were the global reverberations of the Russia-Ukraine war. Riskier assets rallied in 2023, with anticipation of an end to the tight monetary policy despite concerns of a possible impending recession. After suffering deep and broad losses through 2022, bonds now benefit from a base of higher yields that can help generate higher income. However, ongoing rate hikes continued to be a headwind during recent months.

For the 12-month period, stocks generally outperformed bonds—both domestic U.S. and global. For the period, U.S. stocks, based on the S&P 500 Index,¹ gained 19.59%. International stocks, as measured by the MSCI ACWI ex USA Index (Net),² returned 12.72%, while the MSCI EM Index (Net) (USD)³ had more muted performance, with a gain of 1.75%. Among bond indexes, the Bloomberg U.S. Aggregate Bond Index⁴ returned -0.94%, the Bloomberg Global Aggregate ex-USD Index (unhedged)⁵ fell 1.83%, the Bloomberg Municipal Bond Index⁶ gained 3.19%, and the ICE BofA U.S. High Yield Index⁷ returned 8.97%.

Despite high inflation and central bank rate hikes, markets rallied.

Markets rebounded from a rough first half of the calendar year in July 2022, led by U.S. stocks. While U.S. economic activity showed signs of waning, the country’s labor market remained strong: July nonfarm payrolls grew by more than 500,000 and U.S. unemployment dipped to 3.5%. Meanwhile, crude oil and retail gasoline prices—major contributors to recent overall inflation—fell substantially from earlier highs. And while U.S. home prices rose, sales fell as houses became less affordable with mortgage rates at a 13-year high. The Federal Reserve (Fed) raised the federal funds rate 0.75% in July—to a range of 2.25% to 2.50%—and forecasts pointed to further rate hikes.

August was a broadly challenging month. High inflation persisted, cresting 9% in the eurozone on an annual basis and remaining above 8% in the U.S. despite the Fed’s aggressive monetary policy and a major drop in global crude oil and gasoline prices from their June peak. One positive was the resilient U.S. jobs market. However, the Fed’s job was clearly not complete. One longer-term bright spot was the U.S. Congress’s passage of the Inflation Reduction Act. Its primary stated goals include to reduce inflation (though not immediately) by curbing the deficit, capping health care spending by seniors, and investing in domestic sources of clean energy.

¹ The S&P 500 Index consists of 500 stocks chosen for market size, liquidity, and industry group representation. It is a market-value-weighted index with each stock’s weight in the index proportionate to its market value. You cannot invest directly in an index.

² The Morgan Stanley Capital International (MSCI) All Country World Index (ACWI) ex USA Index (Net) is a free-float-adjusted market-capitalization-weighted index that is designed to measure the equity market performance of developed and emerging markets, excluding the U.S. Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indexes or any securities or financial products. This report is not approved, reviewed, or produced by MSCI. You cannot invest directly in an index.

³ The MSCI Emerging Markets (EM) Index (Net) (USD) is a free-float-adjusted market-capitalization-weighted index that is designed to measure the equity market performance of emerging markets. You cannot invest directly in an index.

⁴ 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.

⁵ The Bloomberg Global Aggregate ex-USD Index (unhedged) is an unmanaged index that provides a broad-based measure of the global investment-grade fixed income markets excluding the U.S.-dollar-denominated debt market. You cannot invest directly in an index.

⁶ The Bloomberg Municipal Bond Index is an unmanaged index composed of long-term tax-exempt bonds with a minimum credit rating of Baa. You cannot invest directly in an index.

⁷ The ICE BofA U.S. High Yield Index is a market-capitalization-weighted index of domestic and Yankee high yield bonds. The index tracks the performance of high yield securities traded in the U.S. bond market. You cannot invest directly in an index. Copyright 2023. ICE Data Indices, LLC. All rights reserved.

In September, all asset classes suffered further major losses. Central banks kept up their battle against rapidly rising prices with more rate hikes. The strength of the U.S. dollar weighed on results for investors holding non-U.S.-dollar assets. U.S. mortgage rates jumped to near 7% on 30-year fixed-rate mortgages; the decreased housing affordability began to cool demand somewhat. The U.K. experienced a sharp sell-off of government bonds and the British pound in September as investors panicked in response to a new government budget that was seen as financially unsound. The Bank of England (BoE) then stepped in and bought long-dated government bonds.

Equities had a reprieve in October. Globally, developed markets outpaced emerging market equities, which were hurt by weakness among Chinese stocks. Central banks continued to try to curtail high inflation with aggressive interest rate hikes. Geopolitical risks persisted, including the ongoing Russia-Ukraine war and economic, financial market, and political turmoil in the U.K. Concerns over Europe's energy crisis eased thanks to unseasonably warm weather and plentiful gas on hand. The U.S. labor market continued its resilience against rising prices as unemployment remained near a record low.

Stocks and bonds rallied in November. Economic news was encouraging, driven by U.S. labor market strength. Although central banks kept increasing rates, hopes rose for an easing in the pace of rate hikes and a possible end to central bank monetary tightening in 2023. Although inflation remained at record highs in the eurozone, we began to see signs of a possible decline in inflationary pressures as U.S. inflation moderated, with a 7.1% annual price rise in November and a monthly price increase of just 0.1%. China's economic data remained weak, reflecting its zero-COVID-19 policy.

Financial markets cooled in December, with U.S. equities declining overall in response to a weakening U.S. dollar. Fixed income securities ended one of their worst years ever, with generally flat monthly returns as markets weighed the hopes for an end to the monetary tightening cycle with the reality that central banks had not completed their jobs yet. U.S. Consumer Price Index (CPI),¹ data showed a strong consistent trend downward, which brought down the 12-month CPI to 6.5% in December from 9.1% in June. Other countries and regions reported still-high but declining inflation rates as the year wound down.

The year 2023 began with a rally across global equities and fixed income securities. Investor optimism rose in response to data indicating declining inflation rates and the reopening of China's economy with the abrupt end to its zero-COVID-19 policy. The U.S. reported surprisingly strong job gains—employers added more than 500,000 jobs—and unemployment fell to 3.4%, the lowest level since 1969. Meanwhile, wage growth, seen as a potential contributor to ongoing high inflation, continued to moderate. All eyes remained fixed on the Fed and on how many more rate hikes remain in this tightening cycle. The 0.25% federal funds rate hike announced in January was the Fed's smallest rate increase since March 2022.

Markets declined in February as investors responded unfavorably to resilient economic data. The takeaway: Central banks would likely continue their monetary tightening cycle for longer than markets had priced in. In this environment—where strong economic data is seen as bad news—the resilient U.S. labor market was seen as a negative while the inflation rate was not falling quickly enough for the Fed, which raised interest rates by 0.25% in early February. Meanwhile, the BoE and the European Central Bank (ECB) both raised rates by 0.50%.

The collapse of Silicon Valley Bank in March, the second-largest banking failure in U.S. history, led to a classic bank run that spread to Europe, where Switzerland's Credit Suisse was taken over by its rival, UBS. The banking industry turmoil created an additional challenge for central banks in balancing inflationary concerns against potential economic weakening. Meanwhile, recent data pointed to economic strength in the U.S., Europe, and China. And China's economy continued to rebound after the removal of its COVID-19 lockdown. Inflation rates in the U.S., the U.K., and Europe all remained higher than central bank targets, leading to additional rate hikes in March.

“ The collapse of Silicon Valley Bank in March, the second-largest banking failure in U.S. history, led to a classic bank run that spread to Europe, where Switzerland's Credit Suisse was taken over by its rival, UBS. ”

¹ The U.S. Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. You cannot invest directly in an index.

Economic data released in April pointed to global resilience, as Purchasing Managers Indexes¹ in the U.S., U.K., and eurozone beat expectations and China reported first-quarter annualized economic growth of 4.5%. Despite banking industry stress, developed market stocks had monthly gains. The U.S. labor market remained strong, with a 3.5% jobless rate and monthly payroll gains above 200,000. However, uncertainty and inflationary concerns weighed on investors in the U.S. and abroad.

May was marked by a divergence between expanding activity in services and an overall contraction in manufacturing activity in the U.S., U.K., and eurozone. Core inflation remained elevated in the U.S. and Europe, despite the ongoing efforts of the Fed and ECB, which included rate hikes of 0.25% by both in May. Stubborn inflation and the resilient U.S. labor market led to expectations of further interest rate hikes, overall monthly declines across bond indexes, and mixed results for stocks in May. Investor worries over a U.S. debt ceiling impasse were modest, and market confidence was buoyed by a deal in late May to avert a potential U.S. debt default.

June featured the Fed's first pause on interest rate hikes since March 2022, when it began its aggressive campaign to rein in inflation. However, core CPI, excluding food and energy prices, while continuing to decline, remained stubbornly high in June, at 4.8%, well above the Fed's 2.0% target rate. With the U.S. unemployment rate still at 3.6%, near a historical low, and U.S. payrolls growing in June for the 30th consecutive month, expectations of more Fed rate hikes were reinforced. However, U.S. and global stocks had strong returns in June.

Don't let short-term uncertainty derail long-term investment goals.

Periods of investment uncertainty can present challenges, but experience has taught us that maintaining long-term investment goals can be an effective way to plan for the future. To help you create a sound strategy based on your personal goals and risk tolerance, Allspring Funds offers more than 100 mutual funds spanning a wide range of asset classes and investment styles. Although diversification cannot guarantee an investment profit or prevent losses, we believe it can be an effective way to manage investment risk and potentially smooth out overall portfolio performance. We encourage investors to know their investments and to understand that appropriate levels of risk-taking may unlock opportunities.

Thank you for choosing to invest with Allspring Funds. We appreciate your confidence in us and remain committed to helping you meet your financial needs.

Sincerely,



Andrew Owen
President
Allspring Funds

For further information about your fund, contact your investment professional, visit our website at allspringglobal.com, or call us directly at **1-800-222-8222**.

¹ The Purchasing Managers Index (PMI) is an index of the prevailing direction of economic trends in the manufacturing and service sectors. You cannot invest directly in an index.

Notice to Shareholders

Beginning in July 2024, the Fund will be required by the Securities and Exchange Commission to send shareholders a paper copy of a new tailored shareholder report in place of the full shareholder report that you are now receiving. The tailored shareholder report will contain concise information about the Fund, including certain expense and performance information and fund statistics. If you wish to receive this new tailored shareholder report electronically, please follow the instructions on the back cover of this report.

Other information that is currently included in the shareholder report, such as the Fund's financial statements, will be available online and upon request, free of charge, in paper or electronic format.

Performance highlights

Investment objective The Fund seeks current income exempt from federal income tax and Minnesota individual income tax.

Manager Allspring Funds Management, LLC

Subadviser Allspring Global Investments, LLC

Portfolio managers Bruce R. Johns, Kerry Laurin

AVERAGE ANNUAL TOTAL RETURNS (%) AS OF JUNE 30, 2023

	INCEPTION DATE	INCLUDING SALES CHARGE			EXCLUDING SALES CHARGE			EXPENSE RATIOS ¹ (%)	
		1 YEAR	5 YEAR	10 YEAR	1 YEAR	5 YEAR	10 YEAR	GROSS	NET ²
Class A (NMTFX)	1-12-1988	-2.85	0.30	1.56	1.73	1.23	2.03	0.90	0.84
Class C (WMTCX)	4-8-2005	0.00	0.48	1.42	1.00	0.48	1.42	1.65	1.59
Administrator Class (NWMIX)	8-2-1993	-	-	-	1.98*	1.48	2.28	0.85	0.60
Institutional Class (WMTIX) ³	10-31-2016	-	-	-	2.07*	1.54	2.34	0.58	0.52
Bloomberg Municipal Bond Index ⁴	-	-	-	-	3.19	1.84	2.68	-	-
Bloomberg Minnesota Municipal Bond Index ⁵	-	-	-	-	2.48	1.60	2.23	-	-

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. Performance shown without sales charges would be lower if sales charges were reflected. Current performance may be lower or higher than the performance data quoted, which assumes the reinvestment of dividends and capital gains. Current month-end performance is available on the Fund's website, allspringglobal.com.

Index returns do not include transaction costs associated with buying and selling securities, any mutual fund fees or expenses, or any taxes. It is not possible to invest directly in an index.

For Class A shares, the maximum front-end sales charge is 4.50%. For Class C shares, the maximum contingent deferred sales charge is 1.00%. Performance including a contingent deferred sales charge assumes the sales charge for the corresponding time period. Administrator Class and Institutional Class shares are sold without a front-end sales charge or contingent deferred sales charge.

* Total return differs from the return in the Financial Highlights in this report. The total return presented is calculated based on the Net Asset Value (NAV) at which the shareholder transactions were processed. The NAV and total return presented in the Financial Highlights reflects certain adjustments made to the net assets of the Fund that are necessary under U.S. generally accepted accounting principles.

¹ Reflects the expense ratios as stated in the most recent prospectuses. The expense ratios shown are subject to change and may differ from the annualized expense ratios shown in the Financial Highlights of this report.

² The manager has contractually committed through October 31, 2023 (October 31, 2024 for Class A and Class C), to waive fees and/or reimburse expenses to the extent necessary to cap total annual fund operating expenses after fee waivers at 0.84% for Class A, 1.59% for Class C, 0.60% for Administrator Class and 0.52% for Institutional Class. Brokerage commissions, stamp duty fees, interest, taxes, acquired fund fees and expenses (if any), and extraordinary expenses are excluded from the expense caps. Prior to or after the commitment expiration date, the caps may be increased or the commitment to maintain the caps may be terminated only with the approval of the Board of Trustees. Without these caps, 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 prospectuses.

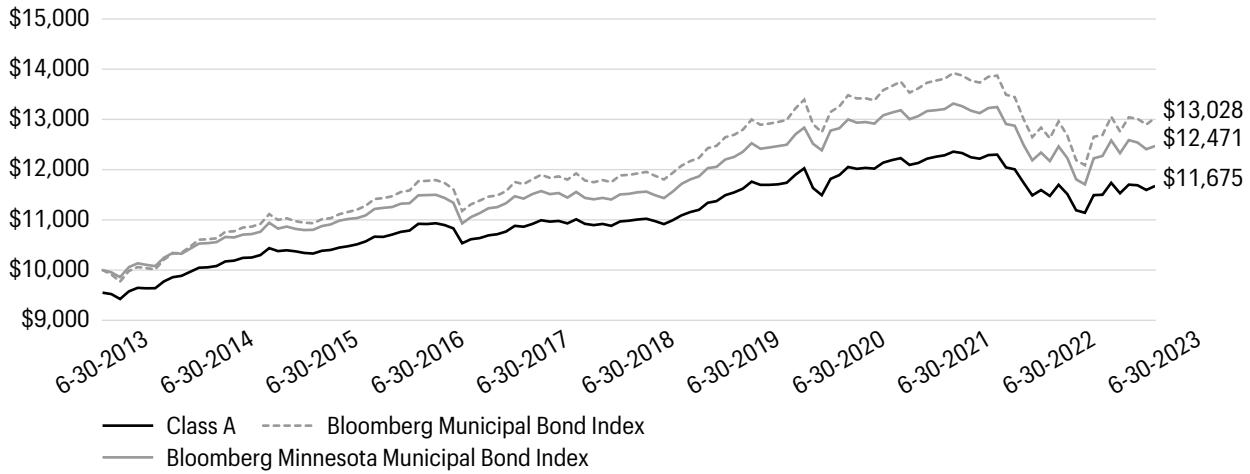
³ Historical performance shown for the Institutional Class shares prior to their inception reflects the performance of the Administrator Class shares, and includes the higher expenses applicable to the Administrator Class shares. If these expenses had not been included, returns for the Institutional Class shares would be higher.

⁴ The Bloomberg Municipal Bond Index is an unmanaged index composed of long-term tax-exempt bonds with a minimum credit rating of Baa. You cannot invest directly in an index.

⁵ The Bloomberg Minnesota Municipal Bond Index is the Minnesota component of the Bloomberg Municipal Bond Index. You cannot invest directly in an index.

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 by the Fund. In general, when interest rates rise, bond values fall and investors may lose principal value. Interest rate changes and their impact on the Fund and its share price can be sudden and unpredictable. The use of derivatives may reduce returns and/or increase volatility. Certain investment strategies tend to increase the total risk of an investment (relative to the broader market). This fund is exposed to Minnesota municipal securities risk and high-yield securities risk. Consult the Fund's prospectus for additional information on these and other risks. A portion of the Fund's income may be subject to federal, state, and/or local income taxes or the Alternative Minimum Tax (AMT). Any capital gains distributions may be taxable.

GROWTH OF \$10,000 INVESTMENT AS OF JUNE 30, 2023¹



¹ The chart compares the performance of Class A shares for the most recent ten years with the Bloomberg Municipal Bond Index and Bloomberg Minnesota Municipal Bond Index. The chart assumes a hypothetical investment of \$10,000 in Class A shares and reflects all operating expenses and assumes the maximum initial sales charge of 4.50%.

MANAGER'S DISCUSSION

Fund highlights

- The Fund underperformed both the broader Bloomberg Municipal Bond Index and the Bloomberg Minnesota Municipal Bond Index for the 12-month period that ended June 30, 2023.
- Yield-curve positioning detracted from performance as the short end of the curve sold off considerably more than the intermediate and long end and we were overweight shorter- and medium-term bonds given the Federal Reserve's (Fed) tightening policy. The municipal curve inverted over the second half of the year in the 1-year to 14-year segment, with shorter yields climbing higher than longer rates in this segment. Yield-curve positioning detracted from performance as we were underweight longer-term bonds, which performed strongly, and overweight shorter and intermediate bonds, which performed poorly. The Fund's sector allocation versus the Bloomberg Minnesota Municipal Bond Index detracted from performance. We were underweight the transportation and hospital revenue sectors, which detracted from performance as these performed well.
- We began the period significantly short duration to the benchmark, which was positive given municipal rates increased over the 12-month period. As we progressed throughout the year, we extended duration. The Fund's overweight to A-rated bonds drove performance, as these outperformed relative to higher-quality investment-grade bonds (AAA-rated and AA-rated). Our out-of-benchmark allocation to non-investment-grade bonds added to performance.
- Security selection in the housing, state general obligation (GO), and transportation sectors added to performance. Our overweight to the education sector helped performance as this sector was a strong performer. Our underweight in the GO category helped performance as these bonds trailed the market. Likewise, our market-weight position to the revenue sector as a whole helped performance as this category had strong performance.

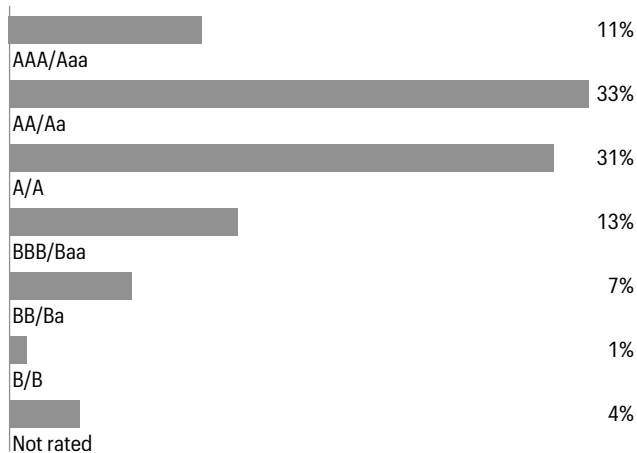
Global economies increase lending rates in hopes of taming runaway inflation.

Entering 2022, the excitement of a post-pandemic world gave way to new whispers and fears of higher prices and broad-based inflation caused by supply chain bottlenecks, increased housing costs, wage increases, and employment market distortions. Those fears quickly became reality and prices began to rise at a historic rate. The U.S. Federal Open Market Committee acted quickly and with purpose: ending open market purchases, reducing its balance sheet, and raising the benchmark overnight lending rate at each monthly meeting through 2022 and early 2023. Fixed income and equity markets fell sharply but began to recover as annual inflation numbers peaked in June and began to recede.

The U.S. unemployment rate, which reached a multigenerational high of more than 14% in the spring of 2020, fell throughout the past year and has settled below 4%. Employers continue to add jobs, especially in service-oriented industries, and the resulting wage increases have further contributed to inflationary pressures. U.S. gross domestic product (GDP) turned negative in the first and second quarters of 2022 but expanded at rates above 2% in each subsequent quarter. The federal funds rate, which began 2022 at 0.25% to 0.50%, was raised 10 consecutive times before a pause in June 2023. It now sits at 5.25% to 5.50% as the Fed attempts to curb inflation. In this environment, some form of recession seems imminent.

In the wake of continued rate increases, U.S. fixed income yields rose dramatically as investors reacted to Fed actions, with the yield on the 10-year Treasury ending the period near 4%. Rising Treasury yields affected all fixed income sectors in 2022, with all seeing their worst returns in more than 40 years. The U.S. Treasury yield curve remained substantially inverted throughout the period, which has driven many investors into shorter-term interest-bearing vehicles, including money markets.

CREDIT QUALITY AS OF JUNE 30, 2023¹



¹ The credit quality distribution of portfolio holdings reflected in the chart is based on ratings from Standard & Poor's, Moody's Investors Service, and/or Fitch Ratings Ltd. Credit quality ratings apply to the underlying holdings of the Fund and not to the Fund itself. The percentages of the portfolio with the ratings depicted in the chart are calculated based on the market value of fixed income securities held by the Fund. If a security was rated by all three rating agencies, the middle rating was utilized. If rated by two of the three rating agencies, the lower rating was utilized, and if rated by one of the rating agencies, that rating was utilized. Standard & Poor's rates the creditworthiness of bonds, ranging from AAA (highest) to D (lowest). Ratings from A to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories. Standard & Poor's rates the creditworthiness of short-term notes from SP-1 (highest) to SP-3 (lowest). Moody's rates the creditworthiness of bonds, ranging from Aaa (highest) to C (lowest). Ratings Aa to B may be modified by the addition of a number 1 (highest) to 3 (lowest) to show relative standing within the ratings categories. Moody's rates the creditworthiness of short-term U.S. tax-exempt municipal securities from MIG 1/VMIG 1 (highest) to SG (lowest). Fitch rates the creditworthiness of bonds, ranging from AAA (highest) to D (lowest). Credit quality distribution is subject to change and may have changed since the date specified.

Municipals sold off drastically to start the period but began to rebound in the fourth quarter of 2022. The Bloomberg Municipal Bond Index fell nearly 8% and the broader municipal market had more than \$124 billion in outflows before stabilizing early in 2023. For the first time in history, the municipal yield curve also inverted but not to the degree seen in Treasuries.

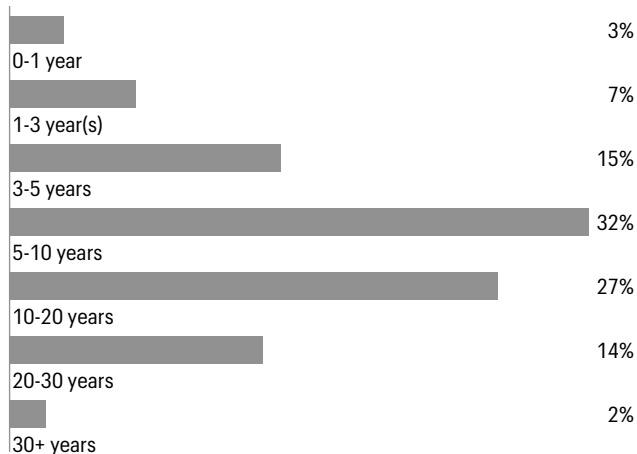
While this environment has certainly been painful for municipal investors, the drawdown has created significantly improved opportunities and entry points. Municipal to Treasury ratios ended the period elevated but at far better levels than in 2021. Municipal credit spreads have widened substantially while the underlying fundamental credit of municipalities remains strong, following trillions of dollars in government stimulus. We believe investors will continue to return to the municipal market in the latter half of 2023, attracted by increased yields, positive fundamental strength, and good relative value.

Minnesota maintains highest credit quality.

Minnesota’s key credit fundamentals remain strong. Above-average economic and wealth metrics projected structural balance and strong reserve position over the next several years, in addition to a manageable debt profile with low pension burdens, should support stable credit metrics moving forward. With a population at 5.7 million, Minnesota is the 22nd-largest state in the U.S. Historically, personal income per capita and GDP per capita both modestly exceed national levels and the state’s unemployment rate for May 2023 was 2.9%, well below the U.S. national rate of 3.7%.

Minneapolis, the state’s largest metro area, is home to a highly educated labor force with major research institutions and corporate headquarters. The largest employers include the University of Minnesota (52,376 enrollment), Allina Health System, Fairview Health Services, and Target Corp. headquarters. Education and health services is the state’s largest employment sector, which should experience stable growth over the next decade. Structural balance for the 2022–2023 biennium as well as ample carry-forward balances are a key credit positive for Minnesota. The state built its reserve position to strong levels of \$7.1 billion (or 24.6% of annual revenues) in 2021. The state’s forecast for the 2022–2023 biennium projects revenues will exceed expenditures by \$3.4 billion. Solid fiscal performance is supported by a strong history of adhering to fiscal policies and practices. The state’s debt and pension profile is low and its pension funding progress has improved in recent years with no near-term pension pressure anticipated. Moody’s, S&P Global, and Fitch maintain AAA ratings on the state’s GO debt outstanding.

EFFECTIVE MATURITY DISTRIBUTION AS OF JUNE 30, 2023¹



¹ Figures represent the percentage of the Fund’s long-term investments. These amounts are subject to change and may have changed since the date specified.

Credit quality and security selection contributed; yield-curve positioning and sector positioning detracted. Duration impact was mixed.

We began the period significantly short duration to the benchmark, which was positive given that municipal rates increased over the 12-month period. As we progressed throughout the year, we extended duration. Credit quality contributed to performance. We were overweight lower-quality investment-grade bonds (A-rated and BBB-rated), which performed well, and underweight higher-quality investment-grade bonds (AAA-rated and AA-rated), which performed poorly. Our out-of-benchmark allocation to non-investment-grade bonds contributed to performance as these were some of the best-performing bonds of the year. The Fund’s primary benchmark is the Bloomberg Municipal Bond Index of which Minnesota bonds only make up 1%. Given the Fund must maintain at least 95% of its income from Minnesota bonds, the universe to choose bonds from is limited.

The municipal yield curve inverted during the second half of the year in the 1-year to 14-year segments with shorter rates exceeding longer rates in this segment. The Fund’s yield-curve positioning detracted from performance as we were underweight longer bonds, which strongly outperformed the shorter and intermediate parts of the curve. We were about market weight in the revenue bond sector, which did well. We were underweight GO bonds, which trailed the market. However, our selection of Illinois state GO bonds contributed to our outperformance within the state GO category. We have a strong overweight to the education revenue sector, which performed well. While we were underweight the weak housing revenue sector, our security selection outperformed the benchmark sector return. Our performance lagged in some revenue bond sectors, as we were underweight transportation and hospitals, which performed well. However, our security selection within the transportation sector was strong.

Some of the better-performing bonds for the year were Minnesota State Housing Finance Agency, Hope Community Academy charter school, and St. Paul Independent School District. The main detractors from

performance were high-quality names (AAA-rated/AA-rated) like Hennepin County GOs, Ramsey County GOs, and Rice County GOs. All of these high-quality names lagged the index and underperformed the lower-quality names above. Structure did play a large role in security performance over the past 12 months, with lower-coupon, longer-dated bonds facing challenges versus higher-coupon, longer-dated bonds given the rapidly rising rate environment.

Interest rate volatility has been the core focus of the markets. We believe issue selection remains a key driver in state-specific funds.

The U.S. economy continued to rebound over the past 12 months, even in the face of unprecedented rate hikes. We believe issue selection and yield-curve positioning will be a key driver in state-specific funds. While we

eventually expect the economy to slow, we believe the Fed may end its rate-hiking cycle toward the end of 2023 as it works to combat higher-than-average inflation. We have been and will work to continue to extend duration in the Fund through primary market purchases. Minnesota's economy is strong and resilient. We believe most municipalities will continue to perform well over the next 12 months given their strong balance sheets. We continue to look for value in lower-credit-quality investment-grade names while opportunistically buying higher-grade names at attractive levels. The threat of a slowing economy could affect our sector allocation decisions as we look to move into areas that will be less affected by recessionary pressures. We will monitor the economy and interest rates, with a focus on the technical market and fundamental credit quality to adjust duration, yield-curve positioning, credit quality, and sector allocations over the next year.

Fund expenses

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments and contingent deferred sales charges (if any) on redemptions and (2) ongoing costs, including management fees, distribution (12b-1) and/or shareholder servicing fees, and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on an investment of \$1,000 invested at the beginning of the six-month period and held for the entire period from January 1, 2023 to June 30, 2023.

Actual expenses

The "Actual" line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the "Actual" line under the heading entitled "Expenses paid during period" for your applicable class of shares to estimate the expenses you paid on your account during this period.

Hypothetical example for comparison purposes

The "Hypothetical" line of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads) and contingent deferred sales charges. Therefore, the "Hypothetical" line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	BEGINNING ACCOUNT VALUE 1-1-2023	ENDING ACCOUNT VALUE 6-30-2023	EXPENSES PAID DURING THE PERIOD ¹	ANNUALIZED NET EXPENSE RATIO
Class A				
Actual	\$ 1,000.00	\$ 1,015.20	\$ 4.25	0.85%
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,020.58	\$ 4.26	0.85%
Class C				
Actual	\$ 1,000.00	\$ 1,010.76	\$ 7.63	1.53%
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,017.21	\$ 7.65	1.53%
Administrator Class				
Actual	\$ 1,000.00	\$ 1,016.45	\$ 3.00	0.60%
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,021.82	\$ 3.01	0.60%
Institutional Class				
Actual	\$ 1,000.00	\$ 1,015.85	\$ 2.60	0.52%
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,022.22	\$ 2.61	0.52%

¹ Expenses paid is equal to the annualized net expense ratio of each class multiplied by the average account value over the period, multiplied by 181 divided by 365 (to reflect the one-half-year period).

Portfolio of investments

	INTEREST RATE	MATURITY DATE	PRINCIPAL	VALUE
Municipal obligations: 99.86%				
Georgia: 0.27%				
Utilities revenue: 0.27%				
Main Street Natural Gas, Inc. Series C 144A00	4.00%	8-1-2052	\$ 500,000	\$ <u>483,272</u>
Guam: 0.47%				
Airport revenue: 0.19%				
Antonio B Won Pat International Airport Authority Series A AMT %	5.25	10-1-2031	325,000	<u>333,565</u>
Water & sewer revenue: 0.28%				
Guam Government Waterworks Authority	5.00	1-1-2046	500,000	<u>504,841</u>
				<u>838,406</u>
Illinois: 0.17%				
Miscellaneous revenue: 0.17%				
City of Chicago Special Assessment Revenue Refunding Bonds Lakeshore East Project 144A	2.53	12-1-2025	327,000	<u>315,117</u>
Minnesota: 97.97%				
Airport revenue: 2.79%				
Minneapolis-St. Paul Metropolitan Airports Commission Series A	5.00	1-1-2031	485,000	516,171
Minneapolis-St. Paul Metropolitan Airports Commission Series A	5.00	1-1-2032	800,000	804,868
Minneapolis-St. Paul Metropolitan Airports Commission Series A	5.00	1-1-2033	200,000	201,181
Minneapolis-St. Paul Metropolitan Airports Commission Series A	5.00	1-1-2052	1,000,000	1,070,171
Minneapolis-St. Paul Metropolitan Airports Commission Series B AMT	5.00	1-1-2026	1,100,000	1,104,199
Minneapolis-St. Paul Metropolitan Airports Commission Series C	5.00	1-1-2046	1,000,000	1,031,633
Minneapolis-St. Paul Metropolitan Airports Commission Series D AMT	5.00	1-1-2041	250,000	255,823
				<u>4,984,046</u>
Education revenue: 21.32%				
City of Brooklyn Park Athlos Leadership Academy Series A	5.50	7-1-2040	750,000	652,649
City of Cologne Cologne Academy Series A	5.00	7-1-2029	590,000	586,984
City of Cologne Cologne Academy Series A	5.00	7-1-2034	500,000	483,582
City of Columbus New Millennium Academy Series A	5.50	7-1-2030	1,000,000	966,261
City of Deephaven Eagle Ridge Academy Series A	4.00	7-1-2025	125,000	122,938
City of Deephaven Eagle Ridge Academy Series A	4.00	7-1-2026	100,000	97,579
City of Deephaven Eagle Ridge Academy Series A	4.00	7-1-2027	100,000	96,739
City of Deephaven Eagle Ridge Academy Series A	5.25	7-1-2037	400,000	400,445
City of Deephaven Eagle Ridge Academy Series A	5.25	7-1-2040	500,000	497,473
City of Forest Lake Lakes International Language Academy Series A	5.50	8-1-2036	500,000	503,544
City of Ham Lake DaVinci Academy of Arts & Science Series A	4.00	7-1-2028	370,000	354,942
City of Ham Lake DaVinci Academy of Arts & Science Series A	5.00	7-1-2031	625,000	626,026
City of Hugo Noble Academy Series A	5.00	7-1-2029	600,000	598,768
City of Minneapolis Northeast College Preparatory Series A	5.00	7-1-2055	700,000	564,876
City of Minneapolis Yinghua Academy Series A	5.00	7-1-2023	70,000	70,000
City of Moorhead Concordia College	5.00	12-1-2025	1,540,000	1,557,860
City of Otsego Kaleidoscope Charter School Series A	4.15	9-1-2024	190,000	187,466
City of Otsego Kaleidoscope Charter School Series A	5.00	9-1-2034	1,100,000	1,048,340
City of Ramsey PACT Charter School Series A	5.00	6-1-2032	1,000,000	1,003,502
City of St. Cloud Athlos Academy of St. Cloud Series A 144A	5.25	6-1-2032	355,000	348,064

	INTEREST RATE	MATURITY DATE	PRINCIPAL	VALUE
Education revenue (continued)				
City of St. Cloud STRIDE Academy Series A	5.00%	4-1-2036	\$ 750,000	\$ 619,846
City of Woodbury Math & Science Academy Series A	4.00	12-1-2050	500,000	417,710
Housing & Redevelopment Authority of The City of St. Paul Minnesota Hmong College Preparatory Academy Series A	5.00	9-1-2055	400,000	349,516
Housing & Redevelopment Authority of The City of St. Paul Minnesota Hmong College Preparatory Academy Series A	5.25	9-1-2031	1,000,000	1,010,633
Housing & Redevelopment Authority of The City of St. Paul Minnesota Hope Community Academy Series A	5.00	12-1-2034	1,645,000	1,573,225
Housing & Redevelopment Authority of The City of St. Paul Minnesota St. Paul Conservatory for Performing Artists Series A	4.00	3-1-2028	150,000	142,276
Housing & Redevelopment Authority of The City of St. Paul Minnesota Twin Cities Academy Series A	5.00	7-1-2035	925,000	883,217
Housing & Redevelopment Authority of The City of St. Paul Minnesota Twin Cities German Immersion School	5.00	7-1-2055	750,000	647,647
Housing & Redevelopment Authority of The City of St. Paul Minnesota Twin Cities German Immersion School Series A	4.00	7-1-2023	45,000	45,000
Minnesota Higher Education Facilities Authority Bethel University	5.00	5-1-2037	1,250,000	1,207,535
Minnesota Higher Education Facilities Authority College of St. Benedict	4.00	3-1-2036	410,000	396,725
Minnesota Higher Education Facilities Authority College of St. Scholastica, Inc.	4.00	12-1-2040	1,000,000	897,843
Minnesota Higher Education Facilities Authority College of St. Scholastica, Inc. Series 7R	4.25	12-1-2027	400,000	400,024
Minnesota Higher Education Facilities Authority Hamline University Series B	5.00	10-1-2035	1,000,000	1,021,150
Minnesota Higher Education Facilities Authority Macalester College	5.00	3-1-2028	400,000	427,804
Minnesota Higher Education Facilities Authority Macalester College	5.00	3-1-2030	500,000	539,729
Minnesota Higher Education Facilities Authority St. Catherine University Series A	5.00	10-1-2025	570,000	584,442
Minnesota Higher Education Facilities Authority St. Catherine University Series A	5.00	10-1-2045	2,000,000	2,018,029
Minnesota Higher Education Facilities Authority St. John's University	4.00	10-1-2034	200,000	204,730
Minnesota Higher Education Facilities Authority St. John's University	4.00	10-1-2035	170,000	172,866
Minnesota Higher Education Facilities Authority St. John's University	4.00	10-1-2039	200,000	195,172
Minnesota Higher Education Facilities Authority St. John's University	4.00	10-1-2040	200,000	193,988
Minnesota Higher Education Facilities Authority St. Olaf College	4.00	10-1-2046	2,750,000	2,690,940
Minnesota Higher Education Facilities Authority University of St. Thomas/Minneapolis	4.00	10-1-2041	515,000	496,581
Minnesota Higher Education Facilities Authority University of St. Thomas/Minneapolis	5.00	10-1-2040	750,000	786,895
Minnesota Higher Education Facilities Authority University of St. Thomas/Minneapolis Series 8	5.00	4-1-2028	920,000	964,009
Minnesota Higher Education Facilities Authority University of St. Thomas/Minneapolis Series 8	5.00	4-1-2029	750,000	788,185
Minnesota Higher Education Facilities Authority University of St. Thomas/Minneapolis Series 8L	5.00	4-1-2035	750,000	784,936
Minnesota Higher Education Facilities Authority University of St. Thomas/Minneapolis Series A	5.00	10-1-2026	295,000	310,283

	INTEREST RATE	MATURITY DATE	PRINCIPAL	VALUE
Education revenue (continued)				
Minnesota Higher Education Facilities Authority University of St. Thomas/Minneapolis Series A	5.00%	10-1-2052	\$ 1,000,000	\$ 1,041,428
Minnesota Higher Education Facilities Authority University of St. Thomas/Minneapolis Series B	5.00	10-1-2036	775,000	836,945
Minnesota Office of Higher Education AMT	4.00	11-1-2037	595,000	584,698
Minnesota Office of Higher Education AMT	5.00	11-1-2026	700,000	724,004
Minnesota Office of Higher Education AMT	5.00	11-1-2027	500,000	524,392
Minnesota Office of Higher Education AMT	5.00	11-1-2033	1,000,000	1,093,446
University of Minnesota Series A	5.00	4-1-2034	270,000	300,956
University of Minnesota Series A	5.00	8-1-2035	500,000	606,857
University of Minnesota Series A	5.00	9-1-2042	770,000	813,439
				38,065,139
GO revenue: 25.97%				
Becker Independent School District No. 726 Series B	4.00	2-1-2024	190,000	190,805
Becker Independent School District No. 726 Series B	4.00	2-1-2026	100,000	102,084
Brainerd Independent School District No. 181 Series A	4.00	2-1-2043	225,000	222,576
Buffalo-Hanover-Montrose Independent School District No. 877	2.85	2-1-2028	2,080,000	2,028,288
Canby Independent School District No. 891 Series A	4.00	2-1-2043	1,320,000	1,316,368
Chisholm Independent School District No. 695 Series A	6.00	2-1-2029	500,000	584,638
Chisholm Independent School District No. 695 Series A	6.00	2-1-2030	750,000	898,971
City of Chaska Series C	5.00	2-1-2028	235,000	256,146
City of Chaska Series C	5.00	2-1-2029	250,000	277,693
City of Chaska Series C	5.00	2-1-2030	230,000	259,841
City of Elk River Series A	3.00	12-1-2044	2,000,000	1,685,763
City of Long Prairie Series A AMT	5.00	2-1-2025	160,000	164,136
City of Long Prairie Series A AMT	5.00	2-1-2026	185,000	192,973
City of Moorhead Series C	4.00	2-1-2027	435,000	445,266
City of St. Cloud Series A	4.00	2-1-2028	460,000	480,311
City of St. Cloud Series A	4.00	2-1-2029	475,000	497,102
City of St. Cloud Series A	4.00	2-1-2030	495,000	518,610
City of St. Cloud Series B	4.00	2-1-2028	245,000	255,818
City of St. Cloud Series B	4.00	2-1-2029	255,000	266,865
City of St. Cloud Series B	4.00	2-1-2030	260,000	272,401
County of Douglas Series A	5.00	8-1-2030	1,055,000	1,191,545
County of Hennepin Series A	5.00	12-1-2033	160,000	175,496
County of Hennepin Series A	5.00	12-1-2041	1,000,000	1,046,513
County of Hennepin Series B	5.00	12-1-2029	450,000	478,060
County of Hennepin Series B	5.00	12-15-2031	1,260,000	1,420,769
County of Hennepin Series C	5.00	12-1-2031	2,000,000	2,116,735
County of Ramsey Series B	5.00	2-1-2034	1,950,000	2,293,851
County of Rice Series A	4.00	2-1-2048	1,500,000	1,468,415
Duluth Independent School District No. 709 Series C CAB □	0.00	2-1-2033	1,075,000	742,135
Gibbon Independent School District No. 2365 %%	5.00	2-1-2041	300,000	326,631
Gibbon Independent School District No. 2365 %%	5.00	2-1-2048	1,700,000	1,823,872
Hastings Independent School District No. 200 Series A CAB □	0.00	2-1-2032	1,305,000	954,505
Hastings Independent School District No. 200 Series A CAB □	0.00	2-1-2033	1,145,000	794,926
Hawley Independent School District No. 150 Series A	5.00	2-1-2040	750,000	811,527

	INTEREST RATE	MATURITY DATE	PRINCIPAL	VALUE
GO revenue (continued)				
Hawley Independent School District No. 150 Series A	5.00%	2-1-2041	\$ 440,000	\$ 473,511
Hopkins Independent School District No. 270 Series A	4.00	2-1-2031	170,000	177,459
Jordan Independent School District No. 717 Series A %%	5.00	2-1-2035	150,000	170,364
Jordan Independent School District No. 717 Series A %%	5.00	2-1-2039	500,000	548,521
Marshall County Independent School District No. 441 Series A	5.00	2-1-2037	250,000	277,922
Marshall County Independent School District No. 441 Series A	5.00	2-1-2038	250,000	274,911
Minneapolis Special School District No. 1 Series A	4.00	2-1-2040	1,150,000	1,165,321
Nashwauk Keewatin Independent School District No. 319 Series A	5.00	2-1-2030	250,000	285,982
Nashwauk Keewatin Independent School District No. 319 Series A	5.00	2-1-2031	325,000	378,444
North St. Paul-Maplewood-Oakdale Independent School District No. 622 Series B	4.00	2-1-2029	2,735,000	2,876,524
Red Lake County Central Independent School District No. 2906 Series A	5.00	2-1-2030	275,000	312,800
Red Lake County Central Independent School District No. 2906 Series A	5.00	2-1-2031	465,000	537,316
Red Lake County Central Independent School District No. 2906 Series A	5.00	2-1-2032	250,000	292,025
Red Lake County Central Independent School District No. 2906 Series A	5.00	2-1-2033	310,000	363,537
Rosemount-Apple Valley-Eagan Independent School District No. 196 Series A	5.00	2-1-2027	1,500,000	1,572,969
Roseville Independent School District No. 623 Series A	5.00	2-1-2031	2,090,000	2,242,004
Russell Tyler Ruthton Independent School District No. 2902 Series A	5.00	2-1-2030	1,620,000	1,813,049
Sartell-St. Stephen Independent School District No. 748 Series A	5.00	2-1-2027	1,450,000	1,489,506
Shakopee Independent School District No. 720 Series B	5.00	2-1-2025	405,000	416,411
St. Cloud Independent School District No. 742 Series B	5.00	2-1-2031	200,000	225,937
State of Minnesota Series A	5.00	8-1-2039	1,750,000	1,942,509
State of Minnesota Series B	3.25	8-1-2034	140,000	140,109
State of Minnesota Series B	4.00	8-1-2031	250,000	265,264
Worthington Independent School District No. 518 Series A	4.00	2-1-2030	440,000	452,425
Worthington Independent School District No. 518 Series A	4.00	2-1-2032	530,000	544,711
Worthington Independent School District No. 518 Series A	4.00	2-1-2033	555,000	570,174
				<u>46,371,340</u>
Health revenue: 19.42%				
City of Center City Hazelden Betty Ford Foundation	5.00	11-1-2026	750,000	758,365
City of Center City Hazelden Betty Ford Foundation	5.00	11-1-2027	500,000	505,256
City of Center City Hazelden Betty Ford Foundation	5.00	11-1-2029	300,000	302,768
City of Maple Grove Hospital Corp.	5.00	5-1-2030	850,000	888,726
City of Maple Grove Hospital Corp.	5.00	5-1-2031	500,000	521,990
City of Maple Grove Hospital Corp.	5.00	5-1-2032	725,000	753,903
City of Maple Grove North Memorial Health Care	5.00	9-1-2023	655,000	656,318
City of Minneapolis Allina Health Obligated Group	4.00	11-15-2038	975,000	958,882
City of Minneapolis Allina Health Obligated Group Series B øø	5.00	11-15-2053	1,000,000	1,103,740
City of Minneapolis Fairview Health Services Obligated Group Series A	5.00	11-15-2033	3,000,000	3,120,721
City of Minneapolis Fairview Health Services Obligated Group Series A	5.00	11-15-2035	390,000	412,346
City of Minneapolis Fairview Health Services Obligated Group Series A	5.00	11-15-2036	1,100,000	1,156,080
City of Minneapolis Fairview Health Services Obligated Group Series A	5.00	11-15-2049	1,000,000	1,016,547

	INTEREST RATE	MATURITY DATE	PRINCIPAL	VALUE
Health revenue (continued)				
City of Minneapolis/St. Paul Housing & Redevelopment Authority Allina Health Obligated Group	5.00%	11-15-2025	\$ 225,000	\$ 233,360
City of Minneapolis/St. Paul Housing & Redevelopment Authority Allina Health Obligated Group	5.00	11-15-2026	645,000	680,796
City of Minneapolis/St. Paul Housing & Redevelopment Authority Allina Health Obligated Group	5.00	11-15-2029	1,000,000	1,108,518
City of Minneapolis/St. Paul Housing & Redevelopment Authority Allina Health Obligated Group Series A	5.00	11-15-2029	1,000,000	1,068,373
City of Plato Glencoe Regional Health Services	5.00	4-1-2041	550,000	559,819
City of Shakopee St. Francis Regional Medical Center Obligated Group	5.00	9-1-2024	420,000	426,130
City of Shakopee St. Francis Regional Medical Center Obligated Group	5.00	9-1-2027	700,000	710,178
City of Shakopee St. Francis Regional Medical Center Obligated Group	5.00	9-1-2029	725,000	735,372
City of Shakopee Senior Housing Revenue Benedictine Living Community of Shakopee LLC 144A00	5.85	11-1-2058	745,000	733,226
City of St. Cloud CentraCare Health System Obligated Group Series A	5.00	5-1-2027	1,785,000	1,856,587
City of St. Cloud CentraCare Health System Obligated Group Series A	5.00	5-1-2028	1,550,000	1,613,823
City of St. Cloud CentraCare Health System Obligated Group Series A	5.00	5-1-2030	2,000,000	2,084,832
City of St. Cloud CentraCare Health System Obligated Group Series A	5.00	5-1-2031	2,000,000	2,084,087
Duluth EDA Essentia Health Obligated Group Series A	5.00	2-15-2048	650,000	656,970
Duluth EDA Essentia Health Obligated Group Series A	5.00	2-15-2058	1,450,000	1,454,661
Duluth EDA Essentia Health Obligated Group Series A	5.25	2-15-2053	2,500,000	2,583,484
Housing & Redevelopment Authority of The City of St. Paul Minnesota Fairview Health Services Obligated Group Series A	5.00	11-15-2034	565,000	591,508
Housing & Redevelopment Authority of The City of St. Paul Minnesota HealthPartners Obligated Group Series A	5.00	7-1-2025	520,000	534,143
Housing & Redevelopment Authority of The City of St. Paul Minnesota HealthPartners Obligated Group Series A	5.00	7-1-2028	720,000	738,887
Housing & Redevelopment Authority of The City of St. Paul Minnesota HealthPartners Obligated Group Series A	5.00	7-1-2031	2,010,000	2,060,742
				34,671,138
Housing revenue: 7.33%				
City of Minneapolis Riverton Community Housing	5.00	8-1-2032	860,000	861,033
City of New London EDA Southwest & West Central Service Cooperatives Series A	4.50	2-1-2033	500,000	499,599
City of New London EDA Southwest & West Central Service Cooperatives Series A	5.00	2-1-2038	880,000	879,064
Minnesota Housing Finance Agency Series A	4.00	8-1-2031	300,000	313,256
Minnesota Housing Finance Agency Series A	5.00	8-1-2027	1,665,000	1,695,435
Minnesota Housing Finance Agency Series A	5.00	8-1-2032	500,000	507,606
Minnesota Housing Finance Agency Series B	5.00	8-1-2029	320,000	356,961
Minnesota Housing Finance Agency Series B	5.00	8-1-2030	465,000	527,147
Minnesota Housing Finance Agency Series B (GNMA / FNMA / FHLMC Insured)	4.10	7-1-2038	1,000,000	967,728
Minnesota Housing Finance Agency Series C (Department of Housing and Urban Development Insured) 00	0.30	2-1-2024	1,500,000	1,471,028
Minnesota Housing Finance Agency Series D	5.00	8-1-2028	200,000	219,121
Minnesota Housing Finance Agency Series D (GNMA / FNMA / FHLMC Insured) (SIFMA Municipal Swap +0.43%) ±	4.44	1-1-2045	560,000	560,000

	INTEREST RATE	MATURITY DATE	PRINCIPAL	VALUE
Housing revenue (continued)				
Minnesota Housing Finance Agency Series E (GNMA / FNMA / FHLMC Insured)	1.75%	1-1-2028	\$ 630,000	\$ 575,654
Minnesota Housing Finance Agency Series E (GNMA / FNMA / FHLMC Insured)	1.75	7-1-2028	490,000	444,304
Minnesota Housing Finance Agency Series M (GNMA / FNMA / FHLMC Insured) ##	4.85	7-1-2037	3,055,000	3,207,954
				13,085,890
Miscellaneous revenue: 9.30%				
Anoka-Hennepin Independent School District No. 11 Series A COP	5.00	2-1-2034	1,000,000	1,008,382
City of Center City Hazelden Betty Ford Foundation	4.00	11-1-2030	250,000	245,782
City of Center City Hazelden Betty Ford Foundation	4.00	11-1-2031	250,000	244,445
City of Center City Hazelden Betty Ford Foundation	4.00	11-1-2034	300,000	286,535
City of White Bear Lake Young Men's Christian Association of the Greater Twin Cities	5.00	6-1-2032	1,000,000	1,073,671
Duluth Independent School District No. 709 Series A COP	4.00	3-1-2026	700,000	696,138
Duluth Independent School District No. 709 Series B COP	5.00	2-1-2026	395,000	411,825
Duluth Independent School District No. 709 Series B COP	5.00	2-1-2028	700,000	755,201
Goodhue County Education District No. 6051 COP	5.00	2-1-2029	750,000	757,479
Lake Agassiz Education Cooperative No. 0397-52 Series A COP	3.00	2-1-2028	290,000	277,640
Lake Agassiz Education Cooperative No. 0397-52 Series A COP	3.00	2-1-2029	300,000	285,920
Lake Agassiz Education Cooperative No. 0397-52 Series A COP	3.00	2-1-2030	310,000	294,320
Minneapolis Special School District No. 1 Series A COP	5.00	4-1-2024	300,000	303,963
Minnesota Rural Water Finance Authority, Inc. Minnesota Rural Water Finance Authority, Inc.	2.63	12-1-2023	1,500,000	1,487,982
Mnetonka Independent School District No. 276 Series C COP	5.75	2-1-2042	2,145,000	2,233,950
Northeastern Metropolitan Intermediate School District No. 916 Series A COP	4.00	2-1-2024	1,100,000	1,100,508
Northeastern Metropolitan Intermediate School District No. 916 Series B COP	5.00	2-1-2034	1,500,000	1,536,460
Plymouth Intermediate District No. 287 Series A COP	4.00	2-1-2024	130,000	130,367
Plymouth Intermediate District No. 287 Series A COP	4.00	2-1-2025	215,000	216,733
Plymouth Intermediate District No. 287 Series A COP	4.00	5-1-2026	500,000	506,136
Plymouth Intermediate District No. 287 Series A COP	4.00	5-1-2027	1,000,000	1,015,216
St. Cloud Independent School District No. 742 COP	5.00	2-1-2032	500,000	512,231
St. Cloud Independent School District No. 742 COP	5.00	2-1-2034	350,000	358,507
White Bear Lake Independent School District No. 624 Series B COP	5.00	4-1-2026	830,000	870,043
				16,609,434
Transportation revenue: 0.61%				
Housing & Redevelopment Authority of The City of St. Paul Minnesota Series A	4.00	8-1-2026	525,000	531,895
Housing & Redevelopment Authority of The City of St. Paul Minnesota Series A	4.00	8-1-2027	545,000	553,025
				1,084,920
Utilities revenue: 10.67%				
Central Minnesota Municipal Power Agency (AGM Insured)	4.00	1-1-2042	350,000	351,504
Central Minnesota Municipal Power Agency (AGM Insured)	5.00	1-1-2029	315,000	348,153

	INTEREST RATE	MATURITY DATE	PRINCIPAL	VALUE
Utilities revenue (continued)				
Central Minnesota Municipal Power Agency (AGM Insured)	5.00%	1-1-2030	\$ 210,000	\$ 235,990
Central Minnesota Municipal Power Agency (AGM Insured)	5.00	1-1-2031	350,000	395,527
City of Elk River Electric Revenue Series B	5.00	8-1-2028	300,000	330,614
City of Rochester Electric Utility Revenue Series A	5.00	12-1-2037	500,000	521,787
City of Rochester Electric Utility Revenue Series B	5.00	12-1-2025	315,000	317,332
City of Rochester Electric Utility Revenue Series B	5.00	12-1-2026	250,000	251,851
Hutchinson Utilities Commission Series A	5.00	12-1-2026	700,000	700,878
Minnesota Municipal Gas Agency Series A (Royal Bank of Canada LIQ) 00##	4.00	12-1-2052	3,000,000	2,997,963
Minnesota Municipal Power Agency	5.00	10-1-2047	500,000	516,112
Northern Municipal Power Agency	5.00	1-1-2025	205,000	209,864
Northern Municipal Power Agency	5.00	1-1-2030	520,000	542,462
Northern Municipal Power Agency	5.00	1-1-2031	350,000	365,033
Northern Municipal Power Agency	5.00	1-1-2036	100,000	105,009
Northern Municipal Power Agency	5.00	1-1-2041	400,000	412,717
Northern Municipal Power Agency Series A	4.00	1-1-2028	450,000	450,232
Northern Municipal Power Agency Series A	5.00	1-1-2024	500,000	500,531
Northern Municipal Power Agency Series A	5.00	1-1-2031	745,000	745,797
Southern Minnesota Municipal Power Agency Series A	5.00	1-1-2029	515,000	537,497
Southern Minnesota Municipal Power Agency Series A	5.00	1-1-2031	520,000	542,589
Southern Minnesota Municipal Power Agency Series A	5.00	1-1-2041	480,000	494,464
Southern Minnesota Municipal Power Agency Badger Coulee Project Series A	5.00	1-1-2032	700,000	792,099
Southern Minnesota Municipal Power Agency Badger Coulee Project Series A	5.00	1-1-2033	560,000	631,312
Southern Minnesota Municipal Power Agency Badger Coulee Project Series A	5.00	1-1-2034	615,000	692,076
St. Paul Port Authority District Energy St. Paul Obligated Group Series 1	3.00	10-1-2023	200,000	199,682
St. Paul Port Authority District Energy St. Paul Obligated Group Series 1	3.00	10-1-2027	100,000	98,246
St. Paul Port Authority District Energy St. Paul Obligated Group Series 1	3.00	10-1-2034	225,000	206,686
St. Paul Port Authority District Energy St. Paul Obligated Group Series 1	4.00	10-1-2028	400,000	413,457
St. Paul Port Authority District Energy St. Paul Obligated Group Series 1	4.00	10-1-2041	500,000	488,937
Western Minnesota Municipal Power Agency Series A	5.00	1-1-2031	1,000,000	1,041,005
Western Minnesota Municipal Power Agency Series A	5.00	1-1-2034	1,000,000	1,036,639
Western Minnesota Municipal Power Agency Series A	5.00	1-1-2049	1,500,000	1,578,552
				<u>19,052,597</u>
Water & sewer revenue: 0.56%				
City of St. Paul Water Revenue Series A	4.00	12-1-2045	1,000,000	<u>1,003,732</u>
				<u>174,928,236</u>

	INTEREST RATE	MATURITY DATE	PRINCIPAL	VALUE
New York: 0.16%				
Health revenue: 0.16%				
Westchester County Local Development Corp. Kendal on Hudson Obligated Group Series B	5.00%	1-1-2027	\$ 275,000	\$ <u>280,638</u>
Puerto Rico: 0.82%				
Health revenue: 0.82%				
Puerto Rico Industrial Tourist Educational Medical & Environmental Control Financing Authority Hospital Auxilio Mutuo Obligated Group	4.00	7-1-2037	275,000	251,611
Puerto Rico Industrial Tourist Educational Medical & Environmental Control Financing Authority Hospital Auxilio Mutuo Obligated Group	5.00	7-1-2028	760,000	808,160
Puerto Rico Industrial Tourist Educational Medical & Environmental Control Financing Authority Hospital Auxilio Mutuo Obligated Group	5.00	7-1-2031	365,000	<u>402,282</u>
				<u>1,462,053</u>
Total municipal obligations (Cost \$184,010,100)				<u>178,307,722</u>
Total investments in securities (Cost \$184,010,100)	99.86%			178,307,722
Other assets and liabilities, net	<u>0.14</u>			<u>246,374</u>
Total net assets	<u>100.00%</u>			<u>\$178,554,096</u>

144A The security may be resold in transactions exempt from registration, normally to qualified institutional buyers, pursuant to Rule 144A under the Securities Act of 1933.

∅∅ The interest rate is determined and reset by the issuer periodically depending upon the terms of the security. The rate shown is the rate in effect at period end.

%% The security is purchased on a when-issued basis.

□ The security is issued in zero coupon form with no periodic interest payments.

± Variable rate investment. The rate shown is the rate in effect at period end.

All or a portion of this security is segregated for when-issued securities.

Abbreviations:

AGM	Assured Guaranty Municipal
AMT	Alternative minimum tax
CAB	Capital appreciation bond
COP	Certificate of participation
EDA	Economic Development Authority
FHLMC	Federal Home Loan Mortgage Corporation
FNMA	Federal National Mortgage Association
GNMA	Government National Mortgage Association
GO	General obligation
LIQ	Liquidity agreement
SIFMA	Securities Industry and Financial Markets Association

Financial statements

Statement of assets and liabilities

Assets	
Investments in unaffiliated securities, at value (cost \$184,010,100)	\$178,307,722
Cash	3,675,271
Receivable for interest	2,573,382
Receivable for investments sold	743,049
Receivable for Fund shares sold	68,921
Prepaid expenses and other assets	64,217
Total assets	185,432,562
Liabilities	
Payable for Fund shares redeemed	3,534,890
Payable for when-issued transactions	3,195,332
Dividends payable	74,082
Management fee payable	31,484
Administration fees payable	16,185
Distribution fee payable	571
Trustees' fees and expenses payable	361
Accrued expenses and other liabilities	25,561
Total liabilities	6,878,466
Total net assets	\$178,554,096
Net assets consist of	
Paid-in capital	\$184,446,128
Total distributable loss	(5,892,032)
Total net assets	\$178,554,096
Computation of net asset value and offering price per share	
Net assets—Class A	\$ 22,840,884
Shares outstanding—Class A ¹	2,269,309
Net asset value per share—Class A	\$10.07
Maximum offering price per share – Class A ²	\$10.54
Net assets—Class C	\$ 1,061,978
Shares outstanding—Class C ¹	105,500
Net asset value per share—Class C	\$10.07
Net assets—Administrator Class	\$ 34,695,707
Shares outstanding—Administrator Class ¹	3,447,165
Net asset value per share—Administrator Class	\$10.06
Net assets—Institutional Class	\$119,955,527
Shares outstanding—Institutional Class ¹	11,911,463
Net asset value per share—Institutional Class	\$10.07

¹ The Fund has an unlimited number of authorized shares.

² Maximum offering price is computed as 100/95.50 of net asset value. On investments of \$50,000 or more, the offering price is reduced.

Statement of operations

Investment income

Interest	\$5,673,581
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Expenses

Management fee	766,419
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Administration fees

Class A	40,004
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Class C	1,927
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Administrator Class	50,454
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Institutional Class	91,945
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Shareholder servicing fees

Class A	62,449
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Class C	2,827
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Administrator Class	125,371
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Distribution fee

Class C	8,480
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Custody and accounting fees	9,261
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Professional fees	76,749
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Registration fees	51,365
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Shareholder report expenses	32,746
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Trustees' fees and expenses	24,151
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Other fees and expenses	8,343
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Total expenses	1,352,491
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Less: Fee waivers and/or expense reimbursements

Fund-level	(76,213)
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Class A	(6,310)
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Administrator Class	(107,949)
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Institutional Class	(30,373)
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Net expenses	1,131,646
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Net investment income	4,541,935
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Realized and unrealized gains (losses) on investments

Net realized losses on investments	(733,264)
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Net change in unrealized gains (losses) on investments	(44,807)
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Net realized and unrealized gains (losses) on investments	(778,071)
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Net increase in net assets resulting from operations	\$3,763,864
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Statement of changes in net assets

	YEAR ENDED JUNE 30, 2023		YEAR ENDED JUNE 30, 2022	
Operations				
Net investment income		\$ 4,541,935		\$ 3,555,926
Net realized losses on investments		(733,264)		(285,208)
Net change in unrealized gains (losses) on investments		(44,807)		(14,731,962)
Net increase (decrease) in net assets resulting from operations		3,763,864		(11,461,244)
Distributions to shareholders from				
Net investment income and net realized gains				
Class A		(525,434)		(530,893)
Class C		(16,882)		(18,937)
Administrator Class		(1,186,463)		(1,225,069)
Institutional Class		(2,813,156)		(2,025,072)
Total distributions to shareholders		(4,541,935)		(3,799,971)
Capital share transactions				
	SHARES		SHARES	
Proceeds from shares sold				
Class A	358,566	3,608,132	175,543	1,829,918
Class C	58,785	588,041	11,415	122,003
Administrator Class	2,691,521	27,039,073	1,338,902	14,180,966
Institutional Class	8,575,654	86,040,406	7,339,926	75,455,903
		117,275,652		91,588,790
Reinvestment of distributions				
Class A	51,758	520,123	49,574	529,205
Class C	1,669	16,782	1,768	18,934
Administrator Class	117,224	1,177,751	114,150	1,218,535
Institutional Class	220,568	2,218,353	135,521	1,445,764
		3,933,009		3,212,438
Payment for shares redeemed				
Class A	(854,053)	(8,553,245)	(378,627)	(4,030,884)
Class C	(68,376)	(682,129)	(86,673)	(903,922)
Administrator Class	(4,661,379)	(46,855,663)	(1,665,542)	(17,447,828)
Institutional Class	(7,182,406)	(72,115,731)	(5,504,066)	(56,987,358)
		(128,206,768)		(79,369,992)
Net increase (decrease) in net assets resulting from capital share transactions		(6,998,107)		15,431,236
Total increase (decrease) in net assets		(7,776,178)		170,021
Net assets				
Beginning of period		186,330,274		186,160,253
End of period		\$ 178,554,096		\$ 186,330,274

Financial highlights

(For a share outstanding throughout each period)

CLASS A	YEAR ENDED JUNE 30				
	2023	2022	2021	2020	2019
Net asset value, beginning of period	\$10.11	\$11.02	\$10.86	\$10.77	\$10.51
Net investment income	0.21 ¹	0.18	0.20 ¹	0.23	0.27 ¹
Net realized and unrealized gains (losses) on investments	(0.04)	(0.90)	0.16	0.09	0.26
Total from investment operations	0.17	(0.72)	0.36	0.32	0.53
Distributions to shareholders from					
Net investment income	(0.21)	(0.18)	(0.20)	(0.23)	(0.27)
Net realized gains	0.00	(0.01)	0.00	0.00	0.00
Total distributions to shareholders	(0.21)	(0.19)	(0.20)	(0.23)	(0.27)
Net asset value, end of period	\$10.07	\$10.11	\$11.02	\$10.86	\$10.77
Total return²	1.73%	(6.59)%	3.32%	2.99%	5.13%
Ratios to average net assets (annualized)					
Gross expenses	0.91%	0.91%	0.92%	0.93%	0.94%
Net expenses	0.85%	0.85%	0.85%	0.85%	0.85%
Net investment income	2.10%	1.67%	1.80%	2.12%	2.57%
Supplemental data					
Portfolio turnover rate	28%	11%	9%	16%	18%
Net assets, end of period (000s omitted)	\$22,841	\$27,431	\$31,586	\$29,317	\$27,399

¹ Calculated based upon average shares outstanding

² Total return calculations do not include any sales charges.

(For a share outstanding throughout each period)

CLASS C	YEAR ENDED JUNE 30				
	2023	2022	2021	2020	2019
Net asset value, beginning of period	\$10.11	\$11.02	\$10.86	\$10.77	\$10.51
Net investment income	0.14 ¹	0.10 ¹	0.12 ¹	0.15 ¹	0.19
Net realized and unrealized gains (losses) on investments	(0.04)	(0.90)	0.16	0.09	0.26
Total from investment operations	0.10	(0.80)	0.28	0.24	0.45
Distributions to shareholders from					
Net investment income	(0.14)	(0.10)	(0.12)	(0.15)	(0.19)
Net realized gains	0.00	(0.01)	0.00	0.00	0.00
Total distributions to shareholders	(0.14)	(0.11)	(0.12)	(0.15)	(0.19)
Net asset value, end of period	\$10.07	\$10.11	\$11.02	\$10.86	\$10.77
Total return²	1.00%	(7.29)%	2.54%	2.22%	4.35%
Ratios to average net assets (annualized)					
Gross expenses	1.60%	1.66%	1.66%	1.68%	1.69%
Net expenses	1.56%	1.60%	1.60%	1.60%	1.60%
Net investment income	1.40%	0.91%	1.06%	1.37%	1.83%
Supplemental data					
Portfolio turnover rate	28%	11%	9%	16%	18%
Net assets, end of period (000s omitted)	\$1,062	\$1,147	\$2,060	\$4,020	\$5,254

¹ Calculated based upon average shares outstanding² Total return calculations do not include any sales charges.

(For a share outstanding throughout each period)

ADMINISTRATOR CLASS	YEAR ENDED JUNE 30				
	2023	2022	2021	2020	2019
Net asset value, beginning of period	\$10.11	\$11.02	\$10.86	\$10.76	\$10.51
Net investment income	0.24 ¹	0.21	0.23 ¹	0.26 ¹	0.30 ¹
Net realized and unrealized gains (losses) on investments	(0.05)	(0.90)	0.16	0.10	0.25
Total from investment operations	0.19	(0.69)	0.39	0.36	0.55
Distributions to shareholders from					
Net investment income	(0.24)	(0.21)	(0.23)	(0.26)	(0.30)
Net realized gains	0.00	(0.01)	0.00	0.00	0.00
Total distributions to shareholders	(0.24)	(0.22)	(0.23)	(0.26)	(0.30)
Net asset value, end of period	\$10.06	\$10.11	\$11.02	\$10.86	\$10.76
Total return	1.88%	(6.35)%	3.58%	3.34%	5.29%
Ratios to average net assets (annualized)					
Gross expenses	0.85%	0.85%	0.86%	0.87%	0.88%
Net expenses	0.60%	0.60%	0.60%	0.60%	0.60%
Net investment income	2.35%	1.92%	2.06%	2.38%	2.81%
Supplemental data					
Portfolio turnover rate	28%	11%	9%	16%	18%
Net assets, end of period (000s omitted)	\$34,696	\$53,578	\$60,727	\$69,954	\$95,072

¹ Calculated based upon average shares outstanding

(For a share outstanding throughout each period)

INSTITUTIONAL CLASS	YEAR ENDED JUNE 30				
	2023	2022	2021	2020	2019
Net asset value, beginning of period	\$10.12	\$11.02	\$10.87	\$10.77	\$10.52
Net investment income	0.25 ¹	0.21	0.23	0.26	0.30
Net realized and unrealized gains (losses) on investments	(0.05)	(0.89)	0.15	0.10	0.25
Total from investment operations	0.20	(0.68)	0.38	0.36	0.55
Distributions to shareholders from					
Net investment income	(0.25)	(0.21)	(0.23)	(0.26)	(0.30)
Net realized gains	0.00	(0.01)	0.00	0.00	0.00
Total distributions to shareholders	(0.25)	(0.22)	(0.23)	(0.26)	(0.30)
Net asset value, end of period	\$10.07	\$10.12	\$11.02	\$10.87	\$10.77
Total return	1.96%	(6.19)%	3.56%	3.42%	5.37%
Ratios to average net assets (annualized)					
Gross expenses	0.59%	0.58%	0.59%	0.60%	0.61%
Net expenses	0.52%	0.52%	0.52%	0.52%	0.52%
Net investment income	2.45%	2.01%	2.13%	2.43%	2.89%
Supplemental data					
Portfolio turnover rate	28%	11%	9%	16%	18%
Net assets, end of period (000s omitted)	\$119,956	\$104,175	\$91,787	\$70,383	\$35,630

¹ Calculated based upon average shares outstanding

Notes to financial statements

1. ORGANIZATION

Allspring Funds Trust (the "Trust"), a Delaware statutory trust organized on March 10, 1999, is an open-end management investment company registered under the Investment Company Act of 1940, as amended (the "1940 Act"). As an investment company, the Trust follows the accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 946, *Financial Services – Investment Companies*. These financial statements report on the Allspring Minnesota Tax-Free Fund (the "Fund") which is a diversified series of the Trust.

2. SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies, which are consistently followed in the preparation of the financial statements of the Fund, are in conformity with U.S. generally accepted accounting principles which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Securities valuation

All investments are valued each business day as of the close of regular trading on the New York Stock Exchange (generally 4 p.m. Eastern Time), although the Fund may deviate from this calculation time under unusual or unexpected circumstances.

Debt securities are valued at the evaluated bid price provided by an independent pricing service (e.g. taking into account various factors, including yields, maturities, or credit ratings) or, if a reliable price is not available, the quoted bid price from an independent broker-dealer.

Futures contracts that are listed on a foreign or domestic exchange or market are valued at the official closing price or, if none, the last sales price.

Investments which are not valued using the methods discussed above are valued at their fair value, as determined in good faith by Allspring Funds Management, LLC ("Allspring Funds Management"), which was named the valuation designee by the Board of Trustees. As the valuation designee, Allspring Funds Management is responsible for day-to-day valuation activities for the Allspring Funds. In connection with these responsibilities, Allspring Funds Management has established a Valuation Committee and has delegated to it the authority to take any actions regarding the valuation of portfolio securities that the Valuation Committee deems necessary or appropriate, including determining the fair value of portfolio securities. On a quarterly basis, the Board of Trustees receives reports of valuation actions taken by the Valuation Committee. On at least an annual basis, the Board of Trustees receives an assessment of the adequacy and effectiveness of Allspring Funds Management's process for determining the fair value of the portfolio of investments.

When-issued transactions

The Fund may purchase securities on a forward commitment or when-issued basis. The Fund records a when-issued transaction on the trade date and will segregate assets in an amount at least equal in value to the Fund's commitment to purchase when-issued securities. Securities purchased on a when-issued basis are marked-to-market daily and the Fund begins earning interest on the settlement date. Losses may arise due to changes in the market value of the underlying securities or if the counterparty does not perform under the contract.

Futures contracts

Futures contracts are agreements between the Fund and a counterparty to buy or sell a specific amount of a commodity, financial instrument or currency at a specified price and on a specified date. The Fund may buy and sell futures contracts in order to gain exposure to, or protect against, changes in interest rates and is subject to interest rate risk. The primary risks associated with the use of futures contracts are the imperfect correlation between changes in market values of securities held by the Fund and the prices of futures contracts, and the possibility of an illiquid market. Futures contracts are generally entered into on a regulated futures exchange and cleared through a clearinghouse associated with the exchange. With futures contracts, there is minimal counterparty risk to the Fund since futures contracts are exchange-traded and the exchange's clearinghouse, as the counterparty to all exchange-traded futures, guarantees the futures contracts against default.

Upon entering into a futures contract, the Fund is required to deposit either cash or securities (initial margin) with the broker in an amount equal to a certain percentage of the contract value. Subsequent payments (variation margin) are paid to or received from the broker each day equal to the daily changes in the contract value. Such payments are recorded as unrealized gains or losses and, if any, shown as variation margin receivable (payable) in the Statement of Assets and Liabilities. Should the Fund fail to make requested variation margin payments, the broker can gain access to the initial margin to satisfy the Fund's payment obligations. When the contracts are closed, a realized gain or loss is recorded in the Statement of Operations.

Security transactions and income recognition

Securities transactions are recorded on a trade date basis. Realized gains or losses are recorded on the basis of identified cost.

Interest income is accrued daily and bond discounts are accreted and premiums are amortized daily. To the extent debt obligations are placed on non-accrual status, any related interest income may be reduced by writing off interest receivables when the collection of all or a portion of interest has been determined to be doubtful based on consistently applied procedures and the fair value has decreased. If the issuer subsequently resumes interest payments or when the collectability of interest is reasonably assured, the debt obligation is removed from non-accrual status.

Distributions to shareholders

Distributions to shareholders from net investment income are declared daily and paid monthly. Distributions from net realized gains, if any, are recorded on the ex-dividend date and paid at least annually. Such distributions are determined in accordance with income tax regulations and may differ from U.S. generally accepted accounting principles. Dividend sources are estimated at the time of declaration. The tax character of distributions is determined as of the Fund's fiscal year end. Therefore, a portion of the Fund's distributions made prior to the Fund's fiscal year end may be categorized as a tax return of capital at year end.

Federal and other taxes

The Fund intends to continue to qualify as a regulated investment company by distributing substantially all of its investment company taxable and tax-exempt income and any net realized capital gains (after reduction for capital loss carryforwards) sufficient to relieve it from all, or substantially all, federal income taxes. Accordingly, no provision for federal income taxes was required.

The Fund's income and federal excise tax returns and all financial records supporting those returns for the prior three fiscal years are subject to examination by the federal and Delaware revenue authorities. Management has analyzed the Fund's tax positions taken on federal, state, and foreign tax returns, as applicable, for all open tax years and does not believe that there are any uncertain tax positions that require recognition of a tax liability.

As of June 30, 2023, the aggregate cost of all investments for federal income tax purposes was \$184,010,098 and the unrealized gains (losses) consisted of:

Gross unrealized gains	\$ 384,757
Gross unrealized losses	(6,087,133)
Net unrealized losses	\$(5,702,376)

As of June 30, 2023, the Fund had capital loss carryforwards which consist of \$288,433 in short-term capital losses and \$730,039 in long-term capital losses.

Class allocations

The separate classes of shares offered by the Fund differ principally in applicable sales charges, distribution, shareholder servicing, and administration fees. Class specific expenses are charged directly to that share class. Investment income, common fund-level expenses, and realized and unrealized gains (losses) on investments are allocated daily to each class of shares based on the relative proportion of net assets of each class.

3. FAIR VALUATION MEASUREMENTS

Fair value measurements of investments are determined within a framework that has established a fair value hierarchy based upon the various data inputs utilized in determining the value of the Fund's investments. The three-level hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The Fund's investments are classified within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. The inputs are summarized into three broad levels as follows:

- Level 1—quoted prices in active markets for identical securities
- Level 2—other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3—significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

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

The following is a summary of the inputs used in valuing the Fund's assets and liabilities as of June 30, 2023:

	QUOTED PRICES (LEVEL 1)	OTHER SIGNIFICANT OBSERVABLE INPUTS (LEVEL 2)	SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)	TOTAL
Assets				
Investments in:				
Municipal obligations	\$0	\$178,307,722	\$0	\$178,307,722
Total assets	\$0	\$178,307,722	\$0	\$178,307,722

Additional sector, industry or geographic detail, if any, is included in the Portfolio of Investments.

For the year ended June 30, 2023, the Fund did not have any transfers into/out of Level 3.

4. TRANSACTIONS WITH AFFILIATES

Management fee

Allspring Funds Management, a wholly owned subsidiary of Allspring Global Investments Holdings, LLC, a holding company indirectly owned by certain private funds of GTCR LLC and Reverence Capital Partners, L.P., is the manager of the Fund and provides advisory and fund-level administrative services under an investment management agreement. Under the investment management agreement, Allspring Funds Management is responsible for, among other services, implementing the investment objectives and strategies of the Fund, supervising the subadviser and providing fund-level administrative services in connection with the Fund's operations. As compensation for its services under the investment management agreement, Allspring Funds Management is entitled to receive a management fee at the following annual rate based on the Fund's average daily net assets:

AVERAGE DAILY NET ASSETS	MANAGEMENT FEE
First \$500 million	0.400%
Next \$500 million	0.375
Next \$2 billion	0.350
Next \$2 billion	0.325
Next \$5 billion	0.290
Over \$10 billion	0.280

For the year ended June 30, 2023, the management fee was equivalent to an annual rate of 0.40% of the Fund's average daily net assets.

Allspring Funds Management has retained the services of a subadviser to provide daily portfolio management to the Fund. The fee for subadvisory services is borne by Allspring Funds Management. Allspring Global Investments, LLC, an affiliate of Allspring Funds Management and a wholly owned subsidiary of Allspring Global Investments Holdings, LLC, is the subadviser to the Fund and is entitled to receive a fee from Allspring Funds Management at an annual rate starting at 0.20% and declining to 0.10% as the average daily net assets of the Fund increase.

Administration fees

Under a class-level administration agreement, Allspring Funds Management provides class-level administrative services to the Fund, which includes paying fees and expenses for services provided by the transfer agent, sub-transfer agents, omnibus account servicers and record-keepers. As compensation for its services under the class-level administration agreement, Allspring Funds Management receives an annual fee which is calculated based on the average daily net assets of each class as follows:

	CLASS-LEVEL ADMINISTRATION FEE
Class A	0.15%
Class C	0.15
Administrator Class	0.10
Institutional Class	0.08

Prior to June 30, 2023, the class-level administration fee for Class A and Class C was 0.16% of the average daily net assets of each respective class.

Waivers and/or expense reimbursements

Allspring Funds Management has contractually committed to waive and/or reimburse management and administration fees to the extent necessary to maintain certain net operating expense ratios for the Fund. When each class of the Fund has exceeded its expense cap, Allspring Funds Management will waive fees and/or reimburse expenses from fund-level expenses on a proportionate basis and then from class specific expenses. When only certain classes exceed their expense caps, waivers and/or reimbursements are applied against class specific expenses before fund-level expenses. Allspring Funds Management has contractually committed through October 31, 2023 (October 31, 2024 for Class A and Class C) to waive fees and/or reimburse expenses to the extent necessary to cap expenses. Prior to or after the commitment expiration date, the caps may be increased or the commitment to maintain the caps may be terminated only with the approval of the Board of Trustees. As of June 30, 2023, the contractual expense caps are as follows:

	EXPENSE RATIO CAPS
Class A	0.84%
Class C	1.59
Administrator Class	0.60
Institutional Class	0.52

Prior to June 30, 2023, the Fund's expenses were capped at 0.85% for Class A shares and 1.60% for Class C shares.

Distribution fee

The Trust has adopted a distribution plan for Class C shares pursuant to Rule 12b-1 under the 1940 Act. A distribution fee is charged to Class C shares and paid to Allspring Funds Distributor, LLC (“Allspring Funds Distributor”), the principal underwriter, an affiliate of Allspring Funds Management, at an annual rate up to 0.75% of the average daily net assets of Class C shares.

In addition, Allspring Funds Distributor is entitled to receive the front-end sales charge from the purchase of Class A shares and a contingent deferred sales charge on the redemption of certain Class A shares. Allspring Funds Distributor is also entitled to receive the contingent deferred sales charges from redemptions of Class C shares. For the year ended June 30, 2023, Allspring Funds Distributor received \$50 from the sale of Class A shares. No contingent deferred sales charges were incurred by Class A and Class C shares for the year ended June 30, 2023.

Shareholder servicing fees

The Trust has entered into contracts with one or more shareholder servicing agents, whereby Class A, Class C, and Administrator Class are charged a fee at an annual rate up to 0.25% of the average daily net assets of each respective class. A portion of these total shareholder servicing fees were paid to affiliates of the Fund.

Interfund transactions

The Fund may purchase or sell portfolio investment securities to certain affiliates pursuant to Rule 17a-7 under the 1940 Act and under procedures adopted by the Board of Trustees. The procedures have been designed to ensure that these interfund transactions, which do not incur broker commissions, are effected at current market prices. Pursuant to these procedures, the Fund had \$7,875,000, \$27,300,000 and \$0 in interfund purchases, sales and net realized gains (losses), respectively, during the year ended June 30, 2023.

5. INVESTMENT PORTFOLIO TRANSACTIONS

Purchases and sales of investments, excluding U.S. government obligations (if any) and short-term securities, for the year ended June 30, 2023 were \$49,630,175 and \$52,873,000, respectively.

6. BANK BORROWINGS

The Trust (excluding the money market funds), Allspring Master Trust and Allspring Variable Trust are parties to a \$350,000,000 revolving credit agreement whereby the Fund is permitted to use bank borrowings for temporary or emergency purposes, such as to fund shareholder redemption requests. Interest under the credit agreement is charged to the Fund based on borrowing rate equal to the higher of the Federal Funds rate or the overnight bank funding rate in effect on that day plus a spread. In addition, an annual commitment fee based on the unused balance is allocated to each participating fund.

For the year ended June 30, 2023, there were no borrowings by the Fund under the agreement.

7. DISTRIBUTIONS TO SHAREHOLDERS

The tax character of distributions paid during the years ended June 30, 2023 and June 30, 2022 were as follows:

	YEAR ENDED JUNE 30	
	2023	2022
Ordinary income	\$ 0	\$ 113,376
Tax-exempt income	4,541,935	3,556,241
Long-term capital gain	0	130,354

As of June 30, 2023, the components of distributable earnings on a tax basis were as follows:

UNDISTRIBUTED TAX-EXEMPT INCOME	UNREALIZED LOSSES	CAPITAL LOSS CARRYFORWARD
\$902,898	\$(5,702,376)	\$(1,018,472)

8. CONCENTRATION RISK

The Fund invests a substantial portion of its assets in issuers of municipal debt securities located in a single state or territory of the U.S. Therefore, it may be more affected by economic and political developments in that state or region than would be a comparable general tax-exempt fund. As of the end of the period, the Fund’s investments were concentrated in the state of Minnesota.

9. INDEMNIFICATION

Under the Fund’s organizational documents, the officers and Trustees have been granted certain indemnification rights against certain liabilities that may arise out of performance of their duties to the Fund. The Fund has entered into a separate agreement with each Trustee that converts

indemnification rights currently existing under the Fund's organizational documents into contractual rights that cannot be changed in the future without the consent of the Trustee. Additionally, in the normal course of business, the Fund may enter into contracts with service providers that contain a variety of indemnification clauses. The Fund's maximum exposure under these arrangements is dependent on future claims that may be made against the Fund and, therefore, cannot be estimated.

To the Shareholders of the Fund and Board of Trustees Allspring Funds Trust:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Allspring Minnesota Tax-Free Fund (the Fund), one of the funds constituting Allspring Funds Trust, including the portfolio of investments, as of June 30, 2023, the related statement of operations for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended, and the related notes (collectively, the financial statements) and the financial highlights for each of the years in the five-year period then ended. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of June 30, 2023, the results of its operations for the year then ended, the changes in its net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the five-year period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Such procedures also included confirmation of securities owned as of June 30, 2023, by correspondence with the custodian and brokers, or by other appropriate auditing procedures. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. We believe that our audits provide a reasonable basis for our opinion.

KPMG LLP

We have not been able to determine the specific years that we began serving as the auditor of one or more Allspring Funds investment companies; however, we are aware that we have served as the auditor of one or more Allspring Funds investment companies since at least 1955.

Boston, Massachusetts
August 25, 2023

Other information

Tax information

Pursuant to Section 852 of the Internal Revenue Code, 100% of distributions paid from net investment income is designated as exempt-interest dividends for the fiscal year ended June 30, 2023.

Proxy voting information

A description of the policies and procedures used to determine how to vote proxies relating to portfolio securities is available without charge, upon request, by calling **1-866-259-3305**, visiting our website at **allspringglobal.com**, or visiting the SEC website at sec.gov. Information regarding how the proxies related to portfolio securities were voted during the most recent 12-month period ended June 30 is available on the website at **allspringglobal.com** or by visiting the SEC website at sec.gov.

Quarterly portfolio holdings information

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. Shareholders may view the filed Form N-PORT by visiting the SEC website at sec.gov.

BOARD OF TRUSTEES AND OFFICERS

Each of the Trustees and Officers listed in the table below acts in identical capacities for each fund in the Allspring family of funds, which consists of 127 mutual funds comprising the Allspring Funds Trust, Allspring Variable Trust, Allspring Master Trust and four closed-end funds (collectively the "Fund Complex"). This table should be read in conjunction with the Prospectus and the Statement of Additional Information¹. The mailing address of each Trustee and Officer is 1415 Vantage Park Drive, 3rd Floor, Charlotte, NC 28203. Each Trustee and Officer serves an indefinite term, however, each Trustee serves such term until reaching the mandatory retirement age established by the Trustees.

Independent Trustees

NAME AND YEAR OF BIRTH	POSITION HELD AND LENGTH OF SERVICE*	PRINCIPAL OCCUPATIONS DURING PAST FIVE YEARS OR LONGER	CURRENT OTHER PUBLIC COMPANY OR INVESTMENT COMPANY DIRECTORSHIPS
WILLIAM R. EBSWORTH (Born 1957)	Trustee, since 2015	Retired. From 1984 to 2013, equities analyst, portfolio manager, research director and chief investment officer at Fidelity Management and Research Company in Boston, Tokyo, and Hong Kong, and retired in 2013 as Chief Investment Officer of Fidelity Strategic Advisers, Inc. where he led a team of investment professionals managing client assets. Prior thereto, Board member of Hong Kong Securities Clearing Co., Hong Kong Options Clearing Corp., the Thailand International Fund, Ltd., Fidelity Investments Life Insurance Company, and Empire Fidelity Investments Life Insurance Company. Audit Committee Chair and Investment Committee Chair of the Vincent Memorial Hospital Foundation (non-profit organization). Mr. Ebsworth is a CFA charterholder.	N/A
JANE A. FREEMAN (Born 1953)	Trustee, since 2015; Chair Liaison, since 2018	Retired. From 2012 to 2014 and 1999 to 2008, Chief Financial Officer of Scientific Learning Corporation. From 2008 to 2012, Ms. Freeman provided consulting services related to strategic business projects. Prior to 1999, Portfolio Manager at Rockefeller & Co. and Scudder, Stevens & Clark. Board member of the Harding Loevner Funds from 1996 to 2014, serving as both Lead Independent Director and chair of the Audit Committee. Board member of the Russell Exchange Traded Funds Trust from 2011 to 2012 and the chair of the Audit Committee. Ms. Freeman is also an inactive Chartered Financial Analyst.	N/A
ISAIAH HARRIS, JR. (Born 1952)	Trustee, since 2009; Audit Committee Chair, since 2019	Retired. Member of the Advisory Board of CEF of East Central Florida. Chairman of the Board of CIGNA Corporation from 2009 to 2021, and Director from 2005 to 2008. From 2003 to 2011, Director of Deluxe Corporation. Prior thereto, President and CEO of BellSouth Advertising and Publishing Corp. from 2005 to 2007, President and CEO of BellSouth Enterprises from 2004 to 2005 and President of BellSouth Consumer Services from 2000 to 2003. Emeritus member of the Iowa State University Foundation Board of Governors. Emeritus Member of the Advisory board of Iowa State University School of Business. Advisory Board Member, Palm Harbor Academy (private school). Advisory Board Member, Fellowship of Christian Athletes. Mr. Harris is a certified public accountant (inactive status).	N/A
DAVID F. LARCKER (Born 1950)	Trustee, since 2009	Distinguished Visiting Fellow at the Hoover Institution since 2022. James Irvin Miller Professor of Accounting at the Graduate School of Business (Emeritus), Stanford University, Director of the Corporate Governance Research Initiative and Senior Faculty of The Rock Center for Corporate Governance since 2006. From 2005 to 2008, Professor of Accounting at the Graduate School of Business, Stanford University. Prior thereto, Ernst & Young Professor of Accounting at The Wharton School, University of Pennsylvania from 1985 to 2005.	N/A
OLIVIA S. MITCHELL (Born 1953)	Trustee, since 2006; Nominating and Governance Committee Chair, since 2018	International Foundation of Employee Benefit Plans Professor since 1993, Wharton School of the University of Pennsylvania. Director of Wharton's Pension Research Council and Boettner Center on Pensions & Retirement Research, and Research Associate at the National Bureau of Economic Research. Previously taught at Cornell University from 1978 to 1993.	N/A
TIMOTHY J. PENNY (Born 1951)	Trustee, since 1996; Chair, since 2018	President and Chief Executive Officer of Southern Minnesota Initiative Foundation, a non-profit organization, since 2007. Vice Chair of the Economic Club of Minnesota, since 2007. Co-Chair of the Committee for a Responsible Federal Budget, since 1995. Member of the Board of Trustees of NorthStar Education Finance, Inc., a non-profit organization, from 2007-2022. Senior Fellow of the University of Minnesota Humphrey Institute from 1995 to 2017.	N/A

¹ The Statement of Additional Information includes additional information about the Trustees and is available, without charge, upon request, by calling 1-800-222-8222 or by visiting the website at allspringglobal.com.

NAME AND YEAR OF BIRTH	POSITION HELD AND LENGTH OF SERVICE*	PRINCIPAL OCCUPATIONS DURING PAST FIVE YEARS OR LONGER	CURRENT OTHER PUBLIC COMPANY OR INVESTMENT COMPANY DIRECTORSHIPS
JAMES G. POLISSON (Born 1959)	Trustee, since 2018	Retired. Chief Marketing Officer, Source (ETF) UK Services, Ltd, from 2015 to 2017. From 2012 to 2015, Principal of The Polisson Group, LLC, a management consulting, corporate advisory and principal investing company. Chief Executive Officer and Managing Director at Russell Investments, Global Exchange Traded Funds from 2010 to 2012. Managing Director of Barclays Global Investors from 1998 to 2010 and Global Chief Marketing Officer for iShares and Barclays Global Investors from 2000 to 2010. Trustee of the San Francisco Mechanics' Institute, a non-profit organization, from 2013 to 2015. Board member of the Russell Exchange Traded Fund Trust from 2011 to 2012. Director of Barclays Global Investors Holdings Deutschland GmbH from 2006 to 2009. Mr. Polisson is an attorney and has a retired status with the Massachusetts and District of Columbia Bar Associations.	N/A
PAMELA WHEELOCK (Born 1959)	Trustee, since January 2020; previously Trustee from January 2018 to July 2019	Retired. Executive and Senior Financial leadership positions in the public, private and nonprofit sectors. Interim President and CEO, McKnight Foundation, 2020. Interim Commissioner, Minnesota Department of Human Services, 2019. Chief Operating Officer, Twin Cities Habitat for Humanity, 2017-2019. Vice President for University Services, University of Minnesota, 2012-2016. Interim President and CEO, Blue Cross and Blue Shield of Minnesota, 2011-2012. Executive Vice-President and Chief Financial Officer, Minnesota Wild, 2002-2008. Commissioner, Minnesota Department of Finance, 1999-2002. Chair of the Board of Directors of Destination Medical Center Corporation. Board member of the Minnesota Wild Foundation.	N/A

* Length of service dates reflect the Trustee's commencement of service with the Trust's predecessor entities, where applicable.

Officers¹

NAME AND YEAR OF BIRTH	POSITION HELD AND LENGTH OF SERVICE	PRINCIPAL OCCUPATIONS DURING PAST FIVE YEARS OR LONGER
ANDREW OWEN (Born 1960)	President, since 2017	President and Chief Executive Officer of Allspring Funds Management, LLC since 2017 and Head of Global Fund Governance of Allspring Global Investments since 2022. Prior thereto, co-president of Galliard Capital Management, LLC, an affiliate of Allspring Funds Management, LLC, from 2019 to 2022 and Head of Affiliated Managers, Allspring Global Investments, from 2014 to 2019 and Executive Vice President responsible for marketing, investments and product development for Allspring Funds Management, LLC, from 2009 to 2014.
JEREMY DEPALMA (Born 1974)	Treasurer, since 2012 (for certain funds in the Fund Complex); since 2021 (for the remaining funds in the Complex)	Senior Vice President of Allspring Funds Management, LLC since 2009. Senior Vice President of Evergreen Investment Management Company, LLC from 2008 to 2010 and head of the Fund Reporting and Control Team within Fund Administration from 2005 to 2010.
CHRISTOPHER BAKER (Born 1976)	Chief Compliance Officer, since 2022	Global Chief Compliance Officer for Allspring Global Investments since 2022. Prior thereto, Chief Compliance Officer for State Street Global Advisors from 2018 to 2021. Senior Compliance Officer for the State Street divisions of Alternative Investment Solutions, Sector Solutions, and Global Marketing from 2015 to 2018. From 2010 to 2015 Vice President, Global Head of Investment and Marketing Compliance for State Street Global Advisors.
MATTHEW PRASSE (Born 1983)	Chief Legal Officer, since 2022; Secretary, since 2021	Senior Counsel of the Allspring Legal Department since 2021. Senior Counsel of the Wells Fargo Legal Department from 2018 to 2021. Previously, Counsel for Barings LLC from 2015 to 2018. Prior to joining Barings, Associate at Morgan, Lewis & Bockius LLP from 2008 to 2015.

¹ For those Officers with tenures at Allspring Global Investments and/or Allspring Funds Management, LLC that began prior to 2021, such tenures include years of service during which these businesses/entities were known as Wells Fargo Asset Management and Wells Fargo Funds Management, LLC, respectively.

Board consideration of investment management and sub-advisory agreements:

Under the Investment Company Act of 1940 (the “1940 Act”), the Board of Trustees (the “Board”) of Allspring Funds Trust (the “Trust”) must determine annually whether to approve the continuation of the Trust’s investment management and sub-advisory agreements. In this regard, at a Board meeting held on May 15-17, 2023 (the “Meeting”), the Board, all the members of which have no direct or indirect interest in the investment management and sub-advisory agreements and are not “interested persons” of the Trust, as defined in the 1940 Act (the “Independent Trustees”), reviewed and approved for the Allspring Minnesota Tax-Free Fund (the “Fund”): (i) an investment management agreement (the “Management Agreement”) with Allspring Funds Management, LLC (“Allspring Funds Management”); and (ii) an investment sub-advisory agreement (the “Sub-Advisory Agreement”) with Allspring Global Investments, LLC (the “Sub-Adviser”), an affiliate of Allspring Funds Management. The Management Agreement and the Sub-Advisory Agreement are collectively referred to as the “Advisory Agreements.”

At the Meeting, the Board considered the factors and reached the conclusions described below relating to the selection of Allspring Funds Management and the Sub-Adviser and the approval of the Advisory Agreements. Prior to the Meeting, including at a Board meeting held in April 2023, and at the Meeting, the Trustees conferred extensively among themselves and with representatives of Allspring Funds Management about these matters. The Board has adopted a team-based approach, with each team consisting of a sub-set of Trustees, to assist the full Board in the discharge of its duties in reviewing investment performance and other matters throughout the year. The Independent Trustees were assisted in their evaluation of the Advisory Agreements by independent legal counsel, from whom they received separate legal advice and with whom they met separately.

The Board noted that it initially approved the Advisory Agreements at a Board meeting held in May 2021, each for a two-year term, in advance of the sale of Wells Fargo Asset Management to Allspring Global Investments Holdings, LLC,¹ a holding company indirectly owned by certain private funds of GTCR LLC and Reverence Capital Partners, L.P. (the “Transaction”). The Trustees also noted that, while they did not specifically consider the continuation of the Advisory Agreements in 2022 as a result of the two-year term that was approved in 2021, the Trustees received and considered certain information at a Board meeting held in April 2022 that was applicable to the Advisory Agreements, including an overview and financial review of the Allspring Global Investments business, information regarding certain ancillary agreements that were approved by the Board at the April 2022 Board meeting, and comparative data regarding Fund fees and expenses.

In providing information to the Board, Allspring Funds Management and the Sub-Adviser were guided by a detailed set of requests for information submitted to them by independent legal counsel on behalf of the Independent Trustees at the start of the Board’s annual contract renewal process earlier in 2023. In considering and approving the Advisory Agreements, the Trustees considered the information they believed relevant, including but not limited to the information discussed below. The Board considered not only the specific information presented in connection with the Meeting, but also the knowledge gained over time through interactions with Allspring Funds Management and the Sub-Adviser about various topics. In this regard, the Board reviewed reports of Allspring Funds Management at each of its quarterly meetings, which included, among other things, portfolio reviews and investment performance reports. In addition, the Board and the teams mentioned above confer with portfolio managers at various times throughout the year. The Board did not identify any particular information or consideration that was all-important or controlling, and each individual Trustee may have attributed different weights to various factors.

After its deliberations, the Board unanimously determined that the compensation payable to Allspring Funds Management and the Sub-Adviser under each of the Advisory Agreements was reasonable, and approved the continuation of the Advisory Agreements for a one-year term. The Board considered the approval of the Advisory Agreements for the Fund as part of its consideration of agreements for funds across the complex, but its approvals were made on a fund-by-fund basis. The following summarizes a number of important, but not necessarily all, factors considered by the Board in support of its approvals.

Nature, extent, and quality of services

The Board received and considered various information regarding the nature, extent, and quality of services provided to the Fund by Allspring Funds Management and the Sub-Adviser under the Advisory Agreements. This information included a description of the investment advisory services and Fund-level administrative services covered by the Management Agreement, as well as, among other things, a summary of the background and experience of senior management of Allspring Global Investments, of which Allspring Funds Management and the Sub-Adviser are a part, and a summary of investments made in the Allspring Global Investments business. The Board also considered information about retention arrangements with respect to key personnel of Allspring Global Investments that were put in place in connection with the Transaction. The Board took into account information about the services that continue to be provided by Wells Fargo & Co. and/or its affiliates (“Wells Fargo”) since the Transaction under a transition services agreement and the anticipated timeline for exiting the transition services agreement. In addition, the Board received and considered information about the full range of services provided to the Fund by Allspring Funds Management and its affiliates.

¹ The trade name for the asset management firm that includes Allspring Funds Management and the Sub-Adviser is “Allspring Global Investments.”

The Board considered the qualifications, background, tenure, and responsibilities of each of the portfolio managers primarily responsible for the day-to-day portfolio management of the Fund. The Board evaluated the ability of Allspring Funds Management and the Sub-Adviser to attract and retain qualified investment professionals, including research, advisory, and supervisory personnel.

The Board further considered the compliance programs and compliance records of Allspring Funds Management and the Sub-Adviser. The Board received and considered information about Allspring Global Investments' risk management functions, which included information about Allspring Funds Management's and the Sub-Adviser's business continuity plans, their approaches to data privacy and cybersecurity, and Allspring Funds Management's role as administrator of the Fund's liquidity risk management program. The Board also received and considered information about Allspring Funds Management's intermediary and vendor oversight program.

Fund investment performance and expenses

The Board considered the investment performance results for the Fund over various time periods ended December 31, 2022. The Board considered these results in comparison to the investment performance of funds in a universe that was determined by Broadridge Inc. ("Broadridge") to be similar to the Fund (the "Universe"), and in comparison to the Fund's benchmark index and to other comparative data. Broadridge is an independent provider of investment company data. The Board received a description of the methodology used by Broadridge to select the mutual funds in the performance Universe. The Board noted that the investment performance of the Fund (Administrator Class) was higher than the average investment performance of the Universe for all periods under review. The Board also noted that the investment performance of the Fund was higher than the investment performance of its benchmark index, the Bloomberg Municipal Bond Index, for the one- and three-year periods under review, in range of the investment performance of its benchmark index for the five-year period under review and lower than the investment performance of its benchmark index for the ten-year period under review.

The Board also received and considered information regarding the Fund's net operating expense ratios and their various components, including actual management fees, custodian and other non-management fees, and Rule 12b-1 and non-Rule 12b-1 shareholder service fees. The Board considered these ratios in comparison to the median ratios of funds in class-specific expense groups that were determined by Broadridge to be similar to the Fund (the "Groups"). The Board received a description of the methodology used by Broadridge to select the mutual funds in the expense Groups and an explanation of how funds comprising expense groups and their expense ratios may vary from year-to-year. Based on the Broadridge reports, the Board noted that the net operating expense ratios of the Fund were in range of the median net operating expense ratios of the expense Groups for each share class, except that the net operating expense ratios of the Fund were lower than the median net operating expense ratios of the expense Groups for the Institutional Class. The Board noted that Allspring Funds Management had agreed to reduce the net operating expense caps for the Fund's Class A shares.

The Board took into account the Fund's investment performance and expense information provided to it among the factors considered in deciding to re-approve the Advisory Agreements.

Investment management and sub-advisory fee rates

The Board reviewed and considered the contractual fee rates payable by the Fund to Allspring Funds Management under the Management Agreement, as well as the contractual fee rates payable by the Fund to Allspring Funds Management for class-level administrative services under a Class-Level Administration Agreement, which include, among other things, class-level transfer agency and sub-transfer agency costs (collectively, the "Management Rates"). The Board also reviewed and considered the contractual investment sub-advisory fee rates that are payable by Allspring Funds Management to the Sub-Adviser for investment sub-advisory services. It was noted that advisory fee waivers, if any, are at the fund level and not class level.

Among other information reviewed by the Board was a comparison of the Fund's Management Rates with the average contractual investment management fee rates of funds in the expense Groups at a common asset level as well as transfer agency costs of the funds in the expense Groups. The Board noted that the Management Rates of the Fund were lower than the sum of these average rates for the Fund's expense Groups for all share classes, except that the Management Rates of the Fund were equal to the sum of these average rates for the Fund's expense Groups for the Class A shares.

The Board also received and considered information about the portion of the total management fee that was retained by Allspring Funds Management after payment of the fee to the Sub-Adviser for sub-advisory services. In assessing the reasonableness of this amount, the Board received and evaluated information about the nature and extent of responsibilities retained and risks assumed by Allspring Funds Management and not delegated to or assumed by the Sub-Adviser, and about Allspring Funds Management's on-going oversight services. Given the affiliation between Allspring Funds Management and the Sub-Adviser, the Board ascribed limited relevance to the allocation of fees between them.

The Board also received and considered information about the nature and extent of services offered and fee rates charged by Allspring Funds Management and the Sub-Adviser to other types of clients with investment strategies similar to those of the Fund. In this regard, the Board received information about the significantly greater scope of services, and compliance, reporting and other legal burdens and risks of managing proprietary mutual funds compared with those associated with managing assets of other types of clients, including third-party sub-advised fund clients and non-mutual fund clients such as institutional separate accounts.

Based on its consideration of the factors and information it deemed relevant, including those described here, the Board determined that the compensation payable to Allspring Funds Management under the Management Agreement and to the Sub-Adviser under the Sub-Advisory Agreement was reasonable.

Profitability

The Board received and considered information concerning the profitability of Allspring Funds Management, as well as the profitability of Allspring Global Investments, from providing services to the fund complex as a whole. The Board noted that the Sub-Adviser's profitability information with respect to providing services to the Fund and other funds in the complex was subsumed in the Allspring Global Investments profitability analysis.

Allspring Funds Management reported on the methodologies and estimates used in calculating profitability, including a description of the methodology used to allocate certain expenses and differences in how Allspring Global Investments calculates its pre-tax profit metric versus the methodology used when Allspring Funds Management was part of Wells Fargo. It was noted that the impact of such differences had only minor impact on the financial results presented. Among other things, the Board noted that the levels of profitability reported on a fund-by-fund basis varied widely, depending on factors such as the size, type, and age of fund.

Based on its review, the Board did not deem the profits reported by Allspring Funds Management or Allspring Global Investments from services provided to the Fund to be at a level that would prevent it from approving the continuation of the Advisory Agreements.

Economies of scale

The Board received and considered information about the potential for Allspring Funds Management to experience economies of scale in the provision of management services to the Fund, the difficulties of calculating economies of scale at an individual fund level, and the extent to which potential scale benefits are shared with Fund shareholders. The Board noted the existence of breakpoints in the Fund's management fee structure, which operate generally to reduce the Fund's expense ratios as the Fund grows in size, and the size of the Fund in relation to such breakpoints. The Board considered that in addition to management fee breakpoints, Allspring Funds Management shares potential economies of scale from its management business in a variety of ways, including through fee waiver and expense reimbursement arrangements, competitive management fee rates set at the outset without regard to breakpoints, and investments in the business intended to enhance services available to shareholders.

The Board concluded that Allspring Funds Management's arrangements with respect to the Fund, including contractual breakpoints and reductions in the net operating expense caps for the Fund's Class A shares, constituted a reasonable approach to sharing potential economies of scale with the Fund and its shareholders.

Other benefits to Allspring Funds Management and the Sub-Adviser

The Board received and considered information regarding potential "fall-out" or ancillary benefits received by Allspring Funds Management and its affiliates, including the Sub-Adviser, as a result of their relationships with the Fund. Ancillary benefits could include, among others, benefits directly attributable to other relationships with the Fund and benefits potentially derived from an increase in Allspring Funds Management's and the Sub-Adviser's business as a result of their relationships with the Fund. The Board noted that Allspring Funds Distributor, LLC, an affiliate of Allspring Funds Management, receives distribution-related fees in respect of shares sold or held through it.

The Board also reviewed information about soft dollar credits earned and utilized by the Sub-Adviser and fees earned in the past by Allspring Funds Management and the Sub-Adviser from managing a private investment vehicle for the fund complex's securities lending collateral.

Based on its consideration of the factors and information it deemed relevant, including those described here, the Board did not find that any ancillary benefits received by Allspring Funds Management and its affiliates, including the Sub-Adviser, were unreasonable.

Conclusion

At the Meeting, after considering the above-described factors and based on its deliberations and its evaluation of the information described above, the Board unanimously determined that the compensation payable to Allspring Funds Management and the Sub-Adviser under each of the Advisory Agreements was reasonable, and approved the continuation of the Advisory Agreements for a one-year term.

Liquidity risk management program

In accordance with Rule 22e-4 under the Investment Company Act of 1940, as amended (the “Liquidity Rule”), Allspring Funds Trust (the “Trust”) has adopted and implemented a liquidity risk management program (the “Program”) on behalf of each of its series (other than the series that operate as money market funds), including the Fund, which is reasonably designed to assess and manage the Fund’s liquidity risk. “Liquidity risk” is defined under the Liquidity Rule as the risk that the Fund is unable to meet redemption requests without significantly diluting remaining investors’ interests in the Fund. The Trust’s Board of Trustees (the “Board”) previously approved the designation of Allspring Funds Management, LLC (“Allspring Funds Management”), the Fund’s investment manager, to administer the Program, and Allspring Funds Management has established a Liquidity Risk Management Council (the “Council”) composed of personnel from multiple departments within Allspring Funds Management and its affiliates to assist Allspring Funds Management in the administration of the Program.

The Program is comprised of various components designed to support the assessment and/or management of liquidity risk, including: (1) the periodic assessment (no less frequently than annually) of certain factors that influence the Fund’s liquidity risk; (2) the periodic classification (no less frequently than monthly) of the Fund’s investments into one of four liquidity categories that reflect an estimate of their liquidity under current market conditions; (3) a 15% limit on the acquisition of “illiquid investments” (as defined under the Liquidity Rule); (4) to the extent the Fund does not invest primarily in “highly liquid investments” (as defined under the Liquidity Rule), the determination of a minimum percentage of the Fund’s assets that generally will be invested in highly liquid investments (an “HLIM”); (5) if the Fund has established an HLIM, the periodic review (no less frequently than annually) of the HLIM and the adoption of policies and procedures for responding to a shortfall of the Fund’s “highly liquid investments” below its HLIM; and (6) periodic reporting to the Board.

At a meeting of the Board held on May 16-17, 2023, the Board received and reviewed a written report (the “Report”) from Allspring Funds Management that, among other things, addressed the operation of the Program and assessed its adequacy and effectiveness for the period from January 1, 2022 through December 31, 2022 (the “Reporting Period”). The Report noted significant liquidity events impacting the Funds related to extended foreign market holidays as well as the difficulty of trading and settlement of most Russia-related securities due to sanctions activity. The Report noted that there were no material changes to the Program during the Reporting Period.

Allspring Funds Management determined in the Report that the Program has been implemented and operates effectively to manage the Fund’s, including the Fund’s, liquidity risk, and Allspring Funds Management continues to believe that the Program has been and continues to be adequately and effectively implemented to monitor and, as applicable, respond to the Fund’s liquidity developments.

There can be no assurance that the Program will achieve its objectives under all circumstances in the future. Please refer to the Fund’s prospectus for more information regarding the Fund’s exposure to liquidity risk and other risks to which an investment in the Fund may be subject.



For more information

More information about Allspring Funds is available free upon request. To obtain literature, please write, visit the Fund's website, or call:

Allspring Funds
P.O. Box 219967
Kansas City, MO 64121-9967

Website: **allspringglobal.com**
Individual investors: **1-800-222-8222**
Retail investment professionals: **1-888-877-9275**
Institutional investment professionals: **1-800-260-5969**



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