

Wells Fargo VT Discovery Fund

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Information as of 03/31/2019

Description:

The Wells Fargo VT Discovery Fund team believes that equity markets are inefficient. They employ both proprietary screens and intensive grassroots research to identify high-growth companies the team feels will outperform their peers. The research process is focused around the theme of “surrounding a company” through in-depth conversations with senior management followed by discussions with suppliers, competitors, customers and industry contacts. The investment philosophy is rooted in the belief that successful investing is the result of focusing on companies with favorable underlying fundamentals, strong growth potential, and solid management teams. This is an aggressive investment.

Sector weighting

	Percent of total holdings
Information Technology	34.0%
Health Care	22.0%
Industrials	18.0%
Consumer Discretionary	15.0%
Communication Services	4.0%
Cash & Equivalents	3.0%
Financials	2.0%
Materials	2.0%
Consumer Staples	1.0%

Percent total may not add to 100% due to rounding.

Top holdings

	Percent of total holdings
Waste Connections, Inc.	2.93%
WEX, Inc.	2.15%
Shopify, Inc., Class A	2.07%
Veeva Systems Inc Class A	2.07%
Black Knight, Inc.	2.03%
Booz Allen Hamilton Holding Corp, CI A.	1.92%
Zebra Technologies Corporation Class A.	1.86%
EPAM Systems, Inc.	1.85%
Bright Horizons Family Solutions, Inc.	1.83%
Exact Sciences Corp.	1.82%

Total net assets \$151.27 Million

Expense Ratio

Gross	1.17%
Net	1.16%

Fund composition

Equity	96.67%
Cash & Equivalents	3.33%

WELLS FARGO ASSET MANAGEMENT



Beta: 0.97

Beta definition:

Beta provides a measure of a stock or fund's volatility relative to the market. The market is often defined by a certain benchmark, index or market average. The market's beta is 1. If a stock or fund is more volatile than the market, its beta will be higher than 1. If it is less volatile, the beta will be below 1. An investment that has a beta of 1.25 is believed to be more volatile than its market benchmark. For example, if the benchmark dropped 1 percent, then an investment with a beta of 1.25 is predicted to drop 1.25 percent. Remember, investment returns and principal value will fluctuate, so the value of your account, when redeemed, may be more or less than your original cost.

Benchmark: Russell 2500 Growth Index

Michael T. Smith, CFA

Managing Director and Senior Portfolio Manager

Michael T. Smith serves as managing director and senior portfolio manager for the Fundamental Growth Equity team at Wells Fargo Asset Management (WFAM). Mike has oversight and portfolio management responsibility for all growth equity portfolios managed by the team. He joined WFAM in 2005 from Strong Capital Management where he served as a senior research analyst focusing primarily on the healthcare sector. Prior to joining Strong in 2000, Mike served as a research analyst and trader at Conesco Capital Management. He attended DePauw University, where he graduated with a bachelor's degree in economics. Mike serves on the Park Tudor School Board of Trustees and Entrepreneurship Advisory Board at DePauw University and is a director at the Tindley Accelerated Schools in Indianapolis. He has earned the right to use the CFA designation.

Chris Warner, CFA

Portfolio Manager

Christopher Warner serves as a portfolio manager for the Fundamental Growth Equity team at WFAM. Prior to joining the firm in 2007, Chris worked as an equity research associate following the enterprise software, systems management and data storage industries for Citigroup in San Francisco. He began his investment industry career in 2002 and he has also worked as an equity analyst at Morningstar and PPM America, INC. His related professional experience includes technology-consulting positions at Evolve Software and PricewaterhouseCoopers, LLP. Chris holds a bachelor's degree in business administration from the University of Illinois, Champaign, and a master's degree in business administration—finance and corporate strategy from the Ross School of Business at the University of Michigan, Ann Arbor. He has earned the right to use the CFA designation.

Disclosure:

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