

Release Date: 09-30-2018

Wells Fargo VT Small Cap Growth Fund — Class 2

Investment Strategy from investment's prospectus

The investment seeks long-term capital appreciation. Under normal circumstances, the fund invests 80% of its net assets in equity securities of small-capitalization companies. It invests principally in equity securities of small-capitalization companies that the managers believe have prospects for robust and sustainable growth of revenues and earnings. The managers define small-capitalization companies as those with market capitalizations within the range of the Russell 2000 Index at the time of purchase.

Past name: Wells Fargo Advantage VT Small Cap Gr 2.

Category Description: Small Growth

Small-growth funds focus on faster-growing companies whose shares are at the lower end of the market-capitalization range. These funds tend to favor companies in up-and-coming industries or young firms in their early growth stages. As a result, the category tends to move in sync with the market for initial public offerings. Many of these funds invest in the technology, health-care and services sectors. Because these businesses are fast-growing and often richly valued, their stocks tend to be volatile.

Operations

Fund Inception Date	05-01-95
Initial Share Class Inception Date	05-01-95
Advisor	Wells Fargo Funds Management LLC
Subadvisor	Wells Capital Management Inc.

Fees and Expenses as of 05-01-18

Gross Prospectus Expense Ratio	1.20%
Net Prospectus Expense Ratio	1.20%

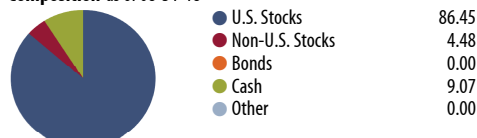
Waiver Data	Type	Exp.Date	%

Portfolio Manager(s)

Joseph M. Eberhardy, CPA, B.B.A., University of Wisconsin-Milwaukee. Since 2011.
 Thomas C. Ognar, CFA, M.S., University of Wisconsin, Madison, 1995. B.S., Miami University, 1992. Since 2011.

Portfolio Analysis as of 08-31-18

Composition as of 08-31-18



Top 20 Holdings as of 08-31-18

	% Assets
iShares Russell 2000 Growth ETF	3.44
Ligand Pharmaceuticals Inc	2.79
ASGN Inc	2.77
InterXion Holding NV	2.51
Q2 Holdings Inc	2.11
Repligen Corp	1.97
Envestnet Inc	1.83
Inogen Inc	1.77
Kinsale Capital Group Inc	1.76
HealthEquity Inc	1.72
MasTec Inc	1.58
AxoGen Inc	1.52
SPS Commerce Inc	1.45
Rexnord Corp	1.44
Teladoc Health Inc	1.42
Five9 Inc	1.42
Planet Fitness Inc A	1.35
Chegg Inc	1.32
SendGrid Inc	1.31
Ollie's Bargain Outlet Holdings Inc	1.30
Total Number of Stock Holdings	98
Total Number of Bond Holdings	—
Annual Turnover Ratio %	72.00
Total Fund Assets (\$mil)	346.64

Volatility Analysis



In the past, this investment has shown a wide range of price fluctuations relative to other investments. This investment may experience significant price increases in favorable markets or undergo large price declines in adverse markets. Some of this risk may be offset by owning other investments that follow different investment strategies.

Morningstar Style Box™ as of 08-31-18

	% Mkt Cap
Giant	0.00
Large	0.00
Medium	34.18
Small	63.33
Micro	2.48

Statistics as of 08-31-18

	Stk Port Avg	S&P 500	Category
P/E Ratio	31.18	17.98	24.32
P/B Ratio	3.49	3.17	3.69
P/C Ratio	18.45	13.67	17.17
GeoAvgCap(\$mil)	2,742.44	109,557.79	3,693.51

Risk Measures as of 09-30-18

	Port Avg	S&P 500	Category
3 Yr Std Dev	15.03	9.18	13.19
3 Yr Sharpe Ratio	1.34	1.69	1.30
3 Yr Alpha	3.70	—	1.13
3 Yr Beta	1.05	—	1.01
3 Yr R-squared	41.68	—	51.72

Morningstar Sectors as of 08-31-18

	%Fund	S&P 500 %
Cyclical	16.36	32.42
Basic Materials	1.12	2.27
Consumer Cyclical	8.42	12.18
Financial Services	6.76	15.79
Real Estate	0.06	2.18
Sensitive	56.81	42.67
Communication Services	1.04	3.24
Energy	1.70	6.00
Industrials	13.47	10.35
Technology	40.60	23.08
Defensive	26.82	24.92
Consumer Defensive	4.26	7.13
Healthcare	22.17	14.96
Utilities	0.39	2.83

Notes

This material is authorized for client use only when preceded or accompanied by a Disclosure Statement, a product prospectus, a fund prospectus and/or informational brochure containing more complete information. These can be obtained from your investment professional and should be read carefully before investing or sending money.

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