

Release Date: 12-31-2020

# 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 05-01-20

Gross Prospectus Expense Ratio	1.19%
Net Prospectus Expense Ratio	1.19%

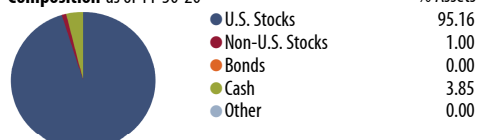
Waiver Data	Type	Exp.Date	%

## Portfolio Manager(s)

Joseph M. Eberhardy, CPA, B.B.A., University of WisconsinMilwaukee. Since 2011.  
 Robert Gruendyke, B.A., Duke University. Since 2020.

## Portfolio Analysis as of 11-30-20

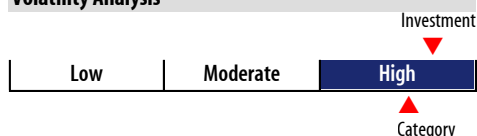
### Composition as of 11-30-20



### Top 20 Holdings as of 11-30-20

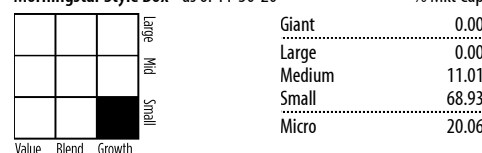
Company	% Assets
Q2 Holdings Inc	2.90
Kinsale Capital Group Inc	2.87
Casella Waste Systems Inc Class A	2.73
iRhythm Technologies Inc	2.72
Rapid7 Inc	2.65
ASGN Inc	2.58
SPS Commerce Inc	2.41
Rexnord Corp	2.40
Wells Fargo Government MMkt Select	2.17
Novanta Inc	2.02
ShockWave Medical Inc	1.98
Freshpet Inc	1.85
Natera Inc	1.81
Fiverr International Ltd	1.79
Envestnet Inc	1.78
Sprout Social Inc Class A	1.74
Talend SA ADR	1.64
Codexis Inc	1.63
Crocs Inc	1.61
NeoGenomics Inc	1.60
Total Number of Stock Holdings	93
Total Number of Bond Holdings	—
Annual Turnover Ratio %	62.00
Total Fund Assets (\$mil)	427.98

## 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 11-30-20



## Statistics as of 11-30-20

Statistic	Stk Port Avg	S&P 500	Category
P/E Ratio	38.83	22.62	27.77
P/B Ratio	4.82	3.67	4.03
P/C Ratio	17.19	15.03	18.54
GeoAvgCap(\$mil)	3,206.30	176,727.08	5,448.91

## Risk Measures as of 12-31-20

Metric	Port Avg	S&P 500	Category
3 Yr Std Dev	26.76	18.80	25.25
3 Yr Sharpe Ratio	0.94	0.72	0.74
3 Yr Alpha	7.88	—	2.39
3 Yr Beta	1.28	—	1.21
3 Yr R-squared	80.83	—	81.18

## Morningstar Sectors as of 11-30-20

Sector	%Fund	S&P 500 %
Cyclical	20.65	30.69
Basic Materials	0.00	2.27
Consumer Cyclical	12.80	12.50
Financial Services	6.41	13.50
Real Estate	1.44	2.42
Sensitive	43.66	46.03
Communication Services	3.41	10.77
Energy	0.00	2.28
Industrials	13.67	8.79
Technology	26.58	24.19
Defensive	35.69	23.28
Consumer Defensive	4.30	6.97
Healthcare	31.39	13.55
Utilities	0.00	2.76

## 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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