

DEFINED BENEFIT – FOURTH QUARTER 2020 | MARKETING COMMUNICATION

WFAM Pension Solutions

WFAM Pension Plan Holistic Solutions



Technology

Operations

Client service

Manager Research

WFAM Pension Solutions Capabilities

Our Pension Solutions clients benefit from our deep pension expertise, innovative solutions, and the full resources of the firm to achieve their funding and risk management goals

Strategy

- Analytics
- Best practices
- Solution design
- Market commentary
- Topical and client-led research
- Corporate finance integration

Liability-Hedge (\$25B)

- Innovation strategies
- Deep and broad expertise
- Strong track records

Return-Seeking (\$141B)

- Fundamental and systematic
- Single asset class or asset allocation
- Strong track records

Risk Management and Funding Solutions (\$27B)

- Hedging overlays
- Capital efficiency
- Tactical Asset Allocation
- Glidepath and total plan management

Source: Wells Fargo Asset Management all data as of 12/31/2020. AUM are approximate.

Pension Solutions Strategy

Full service best practice advice, guidance, and analysis

Our experienced team is at the forefront of understanding and leading best practices across the industry. We can bring these to your plan and strategy, as suits your situation today and in the future.

Investment philosophy

- Consider pension assets, liabilities and sponsor business
- Fully understand risks
- Make a plan: risk, return, timeframe, responses
- Implement wisely: diversify risks, target alpha, be prepared to adapt



Key topics

-  Hedge ratio analysis
-  Capital efficiency
-  Non-credit LDI extension
-  Efficient return generation
-  Borrow-to-fund
-  Glidepath design
-  Risk Management overlays

Liability Hedging Fixed Income

Broad fixed income capabilities across spectrum. Key themes include security-selection alpha, nimble size, ability to customize.

Liability Hedging Fixed Income capabilities	Benchmark	Management style	Target alpha (bps)	Tracking error	AUM (\$M)	Alpha inception	Inception date	Alpha 3-year	T/E 3-year
Standard benchmarks									
Intermediate Government Credit	Bloomberg Barclays US Intermediate Government Credit	Active	0-50	0-50	25-75	\$649	61	Jan-95	67
Long Government Credit	Bloomberg Barclays US Long Government Credit	Active	50-75	50-75	50-100	\$1,207	60	Oct-07	57
Long Credit ¹	Bloomberg Barclays US Long Credit	Active	50-75	50-75	50-100	\$691	92	Oct-13	140
STRIPS	Bloomberg Barclays US Over 15/25-Year STRIPS	Passive	0	0	0	\$2,338	n/a	Nov-20	n/a
Custom benchmarks									
Small Issuer Long Credit	Wells Fargo Small Issuer Long Credit Index	Active	75-100	75-100	100-150	\$222	140	Dec-18	n/a
Custom Blend	Blended Treasury and Credit	Passive	0	0	0	\$2,327	n/a	Multiple	n/a
Medium Quality Credit	Bloomberg Barclays US Credit Baa 3% Capped	Active	75-100	75-100	100-150	\$326	98	Jan-93	121
Annuity Matching ²	Custom - Client Determined	Active Turnover Managed	50-125	50-125	50-100	\$17,162	59	Multiple	67
Total						\$24,922			

¹ The objective for this portfolio is to match index returns net of fees with low tracking error. ² Annuity Matching is represented by a client account that most accurately represents WFAM annuity matching capabilities. Data as of 12/31/2020. Risk, target, and performance figures are shown in basis points and do not reflect advisory fees or expenses. Source: Wells Fargo Asset Management.

All returns for periods greater than one year are annualized. Any forecast, projection or target is indicative only and not guaranteed in any way. The GIPS compliant presentations can be found at the end of this presentation, including information on net returns.

Past performance is not a reliable indicator of future results.

Return-Seeking Strategies

WFAM's Multi-Asset Solutions brings together the return-generating resources of the firm to deliver on client objectives.

These encompass efficient return capture by exploiting market inefficiencies and information advantages in different parts of the capital markets. Each component has a part to play in an efficient and diversified return generating portfolio.

Fundamental Equity

- 16 specialist teams investing in multiple styles, covering multiple regions, market capitalizations, and sectors
- Inception 1981
- \$83B AUM

Systematic Equity

- Beta, enhanced index, and factor based active strategies
- Inception 1970
- \$22B AUM

Multi-Asset

- Target risk and target return strategies, including downside risk management
- Inception 1973
- \$31B AUM

Private credit

- Direct lending leveraging WFC and other deal opportunities
- Inception 2020
- New capability

High Yield and Bank Loans

- Full range of U.S. and global High Yield and Bank Loans strategies, including short duration and full market beta
- Inception 1991
- \$5B AUM

Risk Management and Funding Solutions

An effective investment strategy is more than the sum of its parts. We can integrate all the components together in a coordinated manner, bringing overall risk management, capital efficiency, and a focus on an outcome.

We have a long history of successfully delivering on client and portfolio goals, bringing appropriate and innovative risk management techniques to bear.

Glidepath implementation

- Daily monitoring asset allocation and other triggers and rebalance to strategic targets
- Inception 1994
- \$12B AUM

Tactical asset allocation

- Express views around strategic targets to increase return and reduce risk
- Inception 1990
- \$1B AUM

Outsourced CIO

- Total plan management to achieve funding objectives
- Inception 1990
- \$5B AUM

Risk management overlays

- Liability interest rate hedges
- Equity risk management via options and futures
- Inception 2004
- \$3.2B AUM

Dynamic risk management

- Put replication and volatility management
- Inception 2015
- \$3B AUM

Equity option overlays

- Downside protection and income generation
- Inception 2004
- \$2.4B AUM

The best solutions require breadth of expertise

Experts in LDI, actuarial, asset allocation, portfolio construction, factor investing, and risk management

6 | Actuaries

7 | Ph.D.s

45 | CFA® charterholders

Solutions strategy, design, and research

Portfolio Management and implementation

Pension Solutions & LDI

- Andy Hunt, FIA, CFA
- Jonathan Hobbs, CFA, FSA
- Robert McHenry
- Martijn de Vree, CFA, FIA

Portfolio Solutions & Research

- Brian Jacobsen, Ph.D., CFA, CFP®
- Wai Lee, Ph.D.
- Frank Cooke, CFA
- Kevin Kneafsey, Ph.D.
- Ed Martin, CFA, FSA
- Chris Campisano, CFA
- Duane Whitney, Ph.D.
- Brian Prucyk, Ph.D.
- Lidens Cheng

Client
Pension
Solution

Multi-Asset Solutions

- Team of 15

Multi-Sector Fixed Income – Plus and High Yield

- Team of 11
- 70 credit research analysts

Montgomery Fixed Income

- Team of 23

Other specialist Fixed Income

- 7 Teams, including High Yield, Municipals, Money Market, European, Private Credit, Sovereign, & Emerging Markets

Equity

- 17 teams, including Large, Mid, Small Cap; Value, & Growth; US, International & Global

Why WFAM for Pension Solutions

Features

Plan Analysis & Strategy

- Understand each client's unique liabilities
- Risk framework centered on surplus attribution
- Integration of plan sponsor
- Best practice trends and practical implementation

Liability-Based Portfolios

- Improved standard benchmarks (e.g. Small Issuer Long Credit)
- Custom benchmarks to hedge interest rates and credit spreads
- Strong credit credentials
- Careful risk management focusing on risk-adjusted returns

Return-seeking

- Diversification by design: beta, alternative risk premia, alpha
- Macroeconomic diversification

Whole Plan

- Efficient and timely implementation
- TAA and active Glidepath management
- Risk managed overlays and downside management

Potential benefits

Outcome focused to help you make better decisions within the context of your business and corporate structure

Strong alignment with plan liabilities

More investible portfolios

Strong alpha capture, complementary to other managers

Resilience across market cycles and events

More efficient diversified alpha

Staying on course to achieve goal

Appendix

Strategy Profile: U.S. Long Government Credit

Investment objective

Aims to deliver total return in excess of the benchmark, the Bloomberg Barclays U.S. Long Government/Credit Index.

Investment process summary

- **Relative value focus:** Identify opportunities through active management resulting from duration, yield curve, sector, quality and currency positioning, and issue selection.
- Combining macro outlook with fundamental review when constructing the portfolio.
- Primary research: Dedicated sector specialists conduct bottom up research to uncover wide ranging portfolio opportunities.
- Comprehensive risk control: Focused on delivering consistent alpha generation over a market cycle while effectively managing risk.
- Mainly investment grade focused

Benchmark

Bloomberg Barclays U.S. Long Government/Credit Index

Inception date

October 1, 2007

Strategy risks

Market risk

- Securities held by the strategy could decline due to general market conditions or other factors, including those with the issuer of the security.

Management risk

- Investment decisions, techniques, and analyses implemented by the manager may not lead to expected returns of the team.

Investment Credit Risk

- Issuer or guarantor might be unable to pay interest or repay principal when they become due. This could cause the investment to decline and lose money.

Interest Rate Risk

- As rates rise and fall, the impacts of this can cause principal value or yield of the security to increase or decrease.

Mortgage – and Asset-Backed Securities Risk

- Risk of default on the underlying mortgages or assets, particularly during periods of economic downturn. This could cause securities to decline in value and become less liquid. A heightened level of interest rate risk is also an attribute of these securities.

U.S. Government Obligations Risk

- Changes in interest rates can adversely impact these securities, and some may not be backed the by full faith and credit of the U.S. Government.

Derivatives Risk

- Use of futures, options, inverse floaters, and swaps can lead to losses, including those magnified by leverage, within the portfolio.

Product profile: WFAM U.S. Medium Quality Credit strategy

Investment objective:

- Aims to deliver total returns in excess of the benchmark, the Bloomberg Barclays U.S. Credit Baa: 3% Issuer Capped Index.

Investment process summary:

- Relative value focus: Identify opportunities through active management resulting from duration, yield curve, sector, quality and currency positioning, and issue selection.
- Combining macro outlook with fundamental review when constructing the portfolio.
- Primary research: Dedicated sector specialists conduct bottom up research to uncover wide ranging portfolio opportunities.
- Comprehensive risk control: Focused on delivering consistent alpha generation over a market cycle while effectively managing risk.
- Mainly investment grade focused but does allocate strategically to BB.

Benchmark:

- Bloomberg Barclays U.S. Credit Baa: 3% Issuer Capped Index

Inception date:

- January 1, 1993

Strategy risks:

- Credit risk: Issuer or guarantor might be unable to pay interest or repay principal when they become due. This could cause the investment to decline and lose money.
- Interest rate risk: As rates rise and fall, the impacts of this can cause principal value or yield of the security to increase or decrease.
- Mortgage- and Asset-Backed Securities risk: Risk of default on the underlying mortgages or assets, particularly during periods of economic downturn. This could cause securities to decline in value and become less liquid. A heightened level of interest rate risk is also an attribute of these securities.
- U.S. Government Obligations risk: Changes in interest rates can adversely impact these securities, and some may not be backed the by full faith and credit of the U.S. Government.
- Derivatives risk: Use of futures, options, inverse floaters, and swaps can lead to losses, including those magnified by leverage, within the portfolio.
- High Yield Securities risk: Have a greater risk of default or not returning principal when compared to higher rated securities with similar maturities.
- Market risk: Securities held by the strategy could decline due to general market conditions or other factors, including those with the issuer of the security.

U.S. Long Government Credit GIPS® Composite Report

Period	Gross Annual Return (%)	Net Annual Return (%)	Primary Index Return (%)	Composite 3 Yr Std Dev (%)	Primary Index 3 Yr Std Dev (%)	Internal Dispersion (%)	Number of Accounts	Composite Assets (\$-mm)	Total Firm Assets (\$-mm)
2020	17.06	16.71	16.12	9.52	9.63	N.A.	4	1,206.8	508,914
2019	19.97	19.60	19.59	7.57	7.64	N.A.	4	1,046.9	419,579
2018	-4.26	-4.57	-4.68	7.23	7.33	N.A.	2	610.7	371,582
2017	11.53	11.18	10.71	7.94	7.98	N.A.	2	798.2	385,111
2016	7.05	6.71	6.67	8.62	8.58	N.A.	2	1,021.0	330,718
2015	-3.30	-3.61	-3.30	8.62	8.59	N.A.	2	1,158.3	349,342
2014	20.34	19.96	19.31	8.12	8.07	N.A.	2	1,203.2	351,065
2013	-8.14	-8.43	-8.83	8.77	8.99	N.A.	1	1,205.4	357,113
2012	9.77	9.33	8.78	8.15	8.19	N.A.	1	1,097.7	332,154
2011	21.59	21.11	22.49	9.67	10.18	N.A.	1	984.6	330,855

Primary index: Bloomberg Barclays U.S. Long Government/Credit Index. Source: Wells Fargo Asset Management.

1. Wells Fargo Asset Management (WFAM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. WFAM has been independently verified for the periods January 1, 1997 through December 31, 2019. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The U.S. Long Government Credit Composite has been examined for the periods from October 1, 2007 through December 31, 2013 and January 1, 2016 through December 31, 2019. The verification and performance examination reports are available upon request.

2. For the purpose of complying with GIPS, the GIPS firm is defined as WFAM. Since the GIPS firm's creation in 1996, the firm has acquired a number of investment teams and/or assets through mergers or acquisitions which include assets and/or investment teams from Wells Capital Management, EverKey Global Partners, Wells Fargo Asset Management (International) Limited, Analytic Investors, LLC, Golden Capital Management, LLC, Wells Fargo Asset Management Luxembourg S.A. and Wells Fargo Funds Management, LLC (WFFM).

3. The U.S. Long Government Credit Composite (Composite) contains all discretionary accounts investing in long duration high credit quality fixed income securities. Accounts included in the Composite may invest a portion of their assets in interest rate swaps, futures, options, and short maturity/duration Libor based fixed or floating rate securities. Accounts typically have a duration between twelve and eighteen years. Investment results are measured versus the Bloomberg Barclays U.S. Long Government/Credit Index. Effective June 19, 2015, Michael Bray, senior portfolio manager, no longer served as a manager of the strategy. The Composite was created in February 2008. The Composite inception date is October 1, 2007.

4. Composite returns are net of transaction costs and non-reclaimable withholding taxes, if any, are expressed in US dollars, and reflect the reinvestment of dividends and other earnings. Gross Composite returns do not reflect the deduction of investment advisory fees. Net Composite returns are calculated using a model investment advisory fee, which is the maximum annual advisory fee based upon the fee schedule in effect during each respective performance period. Any changes to the fee schedule are reflected in the calculation of the net Composite returns beginning with the period in which the fee schedule is revised. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. WFAM's fee schedules are available upon request and may also be found in Part 2 of Form ADV. The published fee schedule for this strategy is 0.30% for the first \$50mm, 0.25% for the next \$50mm and 0.20% over \$100mm. Additional information regarding WFAM's policies for valuing investments, calculating performance and preparing GIPS Reports is available upon request. The firm's list of broad distribution pooled funds and list and descriptions of the limited distribution pooled funds are also available upon request.

5. Internal dispersion is the equal weighted standard deviation of the annual gross returns of all accounts included in the Composite for the entire year. For years where there are 5 or fewer accounts in the Composite for the entire year, dispersion is not presented as it is not a meaningful statistical calculation. The 3-year annualized standard deviation measures the variability of the gross Composite returns and the index returns over the preceding 36-month time period.

6. Index returns are provided to represent the investment environment existing during the time periods shown and are not covered by the report of independent verifiers. The Bloomberg Barclays U.S. Long Government/Credit index is the long component of the U.S. Government/Credit Index, which includes U.S. Treasury and agency securities as well as U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity and quality requirements. For comparison purposes, the index is fully invested, which includes the reinvestment of income. The returns for the index do not include any transaction costs, management fees or other costs.

7. Actual performance results may differ from Composite returns, depending on the size of the account, investment guidelines and/or restrictions, inception date and other factors. Performance for some accounts in this Composite may be calculated by third-parties that use different security pricing and performance methodologies. **Past performance is not indicative of future results.** As with any investment vehicle, there is always the potential for gains as well as the possibility of losses. For a complete list of WFAM composite descriptions, please see <https://www.wellsfargoassetmanagement.com/assets/public/pdf/legal/wfam-composite-descriptions.pdf>. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

U.S. Medium Quality Credit GIPS® Composite Report

Period	Gross Annual Return (%)	Net Annual Return (%)	Primary Index Return (%)	Composite 3 Yr Std Dev (%)	Primary Index 3 Yr Std Dev (%)	Internal Dispersion (%)	Number of Accounts	Composite Assets (\$-mm)	Total Firm Assets (\$-mm)
2020	12.23	11.87	9.43	8.57	8.51	N.A.	2	326.5	508,914
2019	17.40	16.94	16.46	3.76	3.76	N.A.	2	293.4	419,579
2018	-2.89	-3.28	-2.94	3.96	4.14	N.A.	2	784.3	371,582
2017	8.60	8.17	7.45	4.14	4.36	N.A.	2	830.1	385,111
2016	8.35	7.92	7.92	4.46	4.73	N.A.	2	725.5	330,718
2015	-1.44	-1.83	-2.75	4.47	4.65	N.A.	2	673.4	349,342
2014	8.92	8.49	8.31	4.40	4.58	N.A.	1	636.7	351,065
2013	-0.73	-1.13	-2.08	4.70	4.91	N.A.	1	376.9	357,113
2012	11.97	11.52	11.32	4.02	4.16	N.A.	1	278.8	332,154
2011	9.44	9.01	9.48	5.01	5.63	N.A.	2	328.8	330,855

Primary index: Bloomberg Barclays U.S. Credit Baa: 3% Issuer Capped Index. Source: Wells Fargo Asset Management.

1. Wells Fargo Asset Management (WFAM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. WFAM has been independently verified for the periods January 1, 1997 through December 31, 2019. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.
2. For the purpose of complying with GIPS, the GIPS firm is defined as WFAM. Since the GIPS firm's creation in 1996, the firm has acquired a number of investment teams and/or assets through mergers or acquisitions which include assets and/or investment teams from Wells Capital Management, EverKey Global Partners, Wells Fargo Asset Management (International) Limited, Analytic Investors, LLC, Golden Capital Management, LLC, Wells Fargo Asset Management Luxembourg S.A. and Wells Fargo Funds Management, LLC (WFFM).
3. The U.S. Medium Quality Credit Composite (Composite) consists of all discretionary accounts managed in this style. The Composite contains accounts investing primarily in corporate bonds rated BBB or higher. A portion of an account's assets may be invested in fixed income securities rated below investment grade. Accounts typically have a duration between four and eight years. Certain accounts included in the Composite may utilize futures, options, swaps, and forward contracts for the purposes of hedging or creating synthetic positions. The accounts have the ability to invest up to 100% of their assets in such securities. More restrictive investment limitations may be imposed. These securities are also used to hedge exposure to foreign currency fluctuations. Such securities have ranged from 1.1% to 23.8% of Composite assets. These accounts may hedge back to U.S. dollars up to 20% of their total foreign currency exposure. Investment results are measured versus the Bloomberg Barclays U.S. Credit Baa: 3% Issuer Capped Index. Effective June 19, 2015, Michael Bray, senior portfolio manager, no longer served as a manager for the strategy. The Composite was created in 1993. The Composite inception date is January 1, 1993.
4. Composite returns are net of transaction costs and non-reclaimable withholding taxes, if any, are expressed in US dollars, and reflect the reinvestment of dividends and other earnings. Gross Composite returns do not reflect the deduction of investment advisory fees. Net Composite returns are calculated using a model investment advisory fee, which is the maximum annual advisory fee based upon the fee schedule in effect during each respective performance period. Any changes to the fee schedule are reflected in the calculation of the net Composite returns beginning with the period in which the fee schedule is revised. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. WFAM's fee schedules are available upon request and may also be found in Part 2 of Form ADV. The published fee schedule for this strategy is 0.30% for the first \$100mm and 0.20% over \$100mm. Between June 8, 2010 and January 1, 2012, the Composite had a Significant Cash Flow (SCF) policy to temporarily remove accounts from the Composite. A SCF was defined as a single or series of client initiated cash flows within a seven-business day window of either a contribution or withdrawal of cash and/or securities that exceeded 20% of the previous day's total market value of the account. Additional information regarding WFAM's policies for valuing investments, calculating performance and preparing GIPS Reports is available upon request. The firm's list of broad distribution pooled funds and list and descriptions of the limited distribution pooled funds are also available upon request.
5. Internal dispersion is the equal weighted standard deviation of the annual gross returns of all accounts included in the Composite for the entire year. For years where there are 5 or fewer accounts in the Composite for the entire year, dispersion is not presented as it is not a meaningful statistical calculation. The 3-year annualized standard deviation measures the variability of the gross Composite returns and the index returns over the preceding 36-month time period.
6. Index returns are provided to represent the investment environment existing during the time periods shown and are not covered by the report of independent verifiers. The Bloomberg Barclays U.S. Credit Baa: 3% Issuer Capped Index measures the performance of the Baa rated fixed-rate U.S. dollar-denominated component of the Bloomberg Barclays U.S. Credit Index. The index is market capitalization-weighted and caps individual issuers at 3% of the total market value. For comparison purposes, the index is fully invested, which includes the reinvestment of income. The returns for the index do not include any transaction costs, management fees or other costs.
7. Actual performance results may differ from Composite returns, depending on the size of the account, investment guidelines and/or restrictions, inception date and other factors. Performance for some accounts in this Composite may be calculated by third-parties that use different security pricing and performance methodologies. **Past performance is not indicative of future results.** As with any investment vehicle, there is always the potential for gains as well as the possibility of losses. For a complete list of WFAM composite descriptions, please see <https://www.wellsfargoassetmanagement.com/assets/public/pdf/legal/wfam-composite-descriptions.pdf>. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

U.S. Treasury STRIPS 15+ GIPS® Compliant Presentation

Period	Gross Annual Return (%)	Net Annual Return (%)	Primary Index Return (%)	Composite 3 Yr Std Dev (%)	Primary Index 3 Yr Std Dev (%)	Internal Dispersion (%)	Number of Accounts	Composite Assets (\$-mm)	Total Firm Assets (\$-mm)
2019	19.52	19.45	19.71	N.A.	N.A.	N.A.	1	117.3	419,579
2018	-3.42	-3.48	-3.59	N.A.	N.A.	N.A.	1	151.4	371,582
2017 (IP)	2.75	2.74	2.56	N.A.	N.A.	N.A.	1	156.8	385,111

*IP = Returns are for the period from December 1, 2017 (Inception) through December 31, 2017. Source: Wells Fargo Asset Management.

1. Wells Fargo Asset Management (WFAM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. WFAM has been independently verified for the periods from January 1, 1997 through December 31, 2018. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.
2. For the purpose of complying with GIPS, the GIPS firm is defined as WFAM. Since the GIPS firm's creation in 1996, the firm has acquired a number of investment teams and/or assets through mergers or acquisitions which include assets and/or investment teams from Wells Capital Management, EverKey Global Partners, Wells Fargo Asset Management (International) Limited, Analytic Investors, LLC, Golden Capital Management, LLC, Wells Fargo Asset Management Luxembourg S.A. and Wells Fargo Funds Management, LLC (WFFM).
3. The U.S. Treasury Strips 15+ Composite (Composite) contains accounts investing in a diversified portfolio of U.S. Treasury STRIPS with remaining maturities of 15 years or longer. Accounts included in the Composite may invest a portion of their assets in U.S. Treasury Bonds, futures contracts, options and/or swap agreements. Investment results are measured versus the Bloomberg Barclays U.S. Strips 15+ Year Index. The Composite was created in March, 2020. The Composite inception date is December 1, 2017.
4. Composite returns are net of transaction costs and non-reclaimable withholding taxes, if any, are expressed in US dollars, and reflect the reinvestment of dividends and other earnings. Gross Composite returns do not reflect the deduction of investment advisory fees. Net Composite returns are calculated using a model investment advisory fee, which is the maximum annual advisory fee based upon the fee schedule in effect during each respective performance period. Any changes to the fee schedule are reflected in the calculation of the net Composite returns beginning with the period in which the fee schedule is revised. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. WFAM's fee schedules are available upon request and may also be found in Part 2 of Form ADV. The published fee schedule for this strategy is 0.32% for the first \$50mm, 0.25% for the next \$50mm and 0.20% over \$100mm. Additional information regarding WFAM's policies for valuing accounts, calculating performance and preparing compliant presentations are available upon request.
5. Internal dispersion is the equal weighted standard deviation of the annual gross returns of all accounts included in the Composite for the entire year. For years where there are 5 or fewer accounts in the Composite for the entire year, dispersion is not presented as it is not a meaningful statistical calculation. The 3-year annualized standard deviation measures the variability of the gross Composite returns and the index returns over the preceding 36-month time period. The notation "N.A." (not available) will appear for periods, if any, where 36 monthly returns are not available for the Composite and/or the index.
6. Index returns are provided to represent the investment environment existing during the time periods shown and are not covered by the report of independent verifiers. The Bloomberg Barclays U.S. Strips 15+ Year Index is an unmanaged index representing U.S. Treasury STRIPS with remaining maturities of 15 years or longer. For comparison purposes, the index is fully invested, which includes the reinvestment of income. The returns for the index do not include any transaction costs, management fees or other costs.
7. Actual performance results may differ from Composite returns, depending on the size of the account, investment guidelines and/or restrictions, inception date and other factors. Performance for some accounts in this Composite may be calculated by third-parties that use different security pricing and performance methodologies. **Past performance is not indicative of future results.** As with any investment vehicle, there is always the potential for gains as well as the possibility of losses. For a complete list of WFAM composite descriptions, please see <https://www.wellsfargoassetmanagement.com/assets/public/pdf/legal/wfam-composite-descriptions.pdf>.

U.S. Small Issuer Long Credit GIPS® Composite Report

Period	Gross Annual Return (%)	Net Annual Return (%)	Primary Index Return (%)	Composite 3 Yr Std Dev (%)	Primary Index 3 Yr Std Dev (%)	Internal Dispersion (%)	Number of Accounts	Composite Assets (\$-mm)	Total Firm Assets (\$-mm)
2020	15.34	15.05	14.04	N.A.	N.A.	N.A.	1	222.3	508,914
2019	22.93	22.63	21.96	N.A.	N.A.	N.A.	1	186.5	419,579

Primary index: Wells Fargo Small Issuer Long Credit Index. Source: Wells Fargo Asset Management.

1. Wells Fargo Asset Management (WFAM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. WFAM has been independently verified for the periods January 1, 1997 through December 31, 2019. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The U.S. Small Issuer Long Credit Composite has been examined for the periods from January 1, 2019 through December 31, 2019. The verification and performance examination reports are available upon request.

2. For the purpose of complying with GIPS, the GIPS firm is defined as WFAM. Since the GIPS firm's creation in 1996, the firm has acquired a number of investment teams and/or assets through mergers or acquisitions which include assets and/or investment teams from Wells Capital Management, EverKey Global Partners, Wells Fargo Asset Management (International) Limited, Analytic Investors, LLC, Golden Capital Management, LLC, Wells Fargo Asset Management Luxembourg S.A. and Wells Fargo Funds Management, LLC (WFFM).

3. The U.S. Small Issuer Long Credit Composite (Composite) contains accounts investing in long duration high credit quality fixed income securities, targeting the smallest 90 percent of issuers in the Bloomberg Barclays U.S. Long Credit Index. Accounts included in the Composite may invest a portion of their assets in interest rate swaps, futures, options, and short maturity/duration Libor based fixed or floating rate securities. Accounts typically have a duration between twelve and eighteen years. Investment results are measured versus the Wells Fargo Small Issuer Long Credit Index. The Composite creation and inception date is January 1, 2019.

4. Composite returns are net of transaction costs and non-reclaimable withholding taxes, if any, are expressed in US dollars, and reflect the reinvestment of dividends and other earnings. Gross Composite returns do not reflect the deduction of investment advisory fees. Net Composite returns are calculated using a model investment advisory fee, which is the maximum annual advisory fee based upon the fee schedule in effect during each respective performance period. Any changes to the fee schedule are reflected in the calculation of the net Composite returns beginning with the period in which the fee schedule is revised. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. WFAM's fee schedules are available upon request and may also be found in Part 2 of Form ADV. The published fee schedule for this strategy is 0.25% for the first \$100mm, 0.20% for the next \$250mm and 0.15% over \$350mm. Additional information regarding WFAM's policies for valuing investments, calculating performance and preparing GIPS Reports is available upon request. The firm's list of broad distribution pooled funds and list and descriptions of the limited distribution pooled funds are also available upon request.

5. Internal dispersion is the equal weighted standard deviation of the annual gross returns of all accounts included in the Composite for the entire year. For years where there are 5 or fewer accounts in the Composite for the entire year, dispersion is not presented as it is not a meaningful statistical calculation. The 3-year annualized standard deviation measures the variability of the gross Composite returns and the index returns over the preceding 36-month time period. The notation "N.A." (not available) will appear for periods, if any, where 36 monthly returns are not available for the Composite and/or the index.

6. Index returns are provided to represent the investment environment existing during the time periods shown and are not covered by the report of independent verifiers. The Wells Fargo Small Issuer Long Credit Index is designed to track the performance of investment grade corporate and government-related debt with at least ten years until the stated final maturity and outstanding par amounts of greater than or equal to \$300 million. The Index is composed of fixed-rate, taxable, U.S. dollar denominated bonds, issued by corporate and non-corporate components that includes non-U.S. agencies, sovereigns, supranationals and local authorities, with an investment grade rating or classified as investment grade by Bloomberg Index Services Limited. For comparison purposes, the index is fully invested, which includes the reinvestment of income. The returns for the index do not include any transaction costs, management fees or other costs.

7. Actual performance results may differ from Composite returns, depending on the size of the account, investment guidelines and/or restrictions, inception date and other factors. Performance for some accounts in this Composite may be calculated by third-parties that use different security pricing and performance methodologies. **Past performance is not indicative of future results.** As with any investment vehicle, there is always the potential for gains as well as the possibility of losses. For a complete list of WFAM composite descriptions, please see <https://www.wellsfargoassetmanagement.com/assets/public/pdf/legal/wfam-composite-descriptions.pdf>. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Small Issuer Long Credit Index on Bloomberg and at Wells Fargo Strategic Indexing

Wells Fargo Asset Management Small Issuer Long Credit Index on Bloomberg

Index Ticker: I33822US

Inception date: April 2018

Wells Fargo Asset Management Small Issuer Long Credit Index on Wells Fargo Strategic Indexing

Index methodology document:

[https://www.wellsfargoresearch.com/Content/Indices/IndicesReport/Wells%20Fargo%20Small%20Issuer%20Long%20Credit%20Index%20\(April%2026%202018\)%20Final.pdf](https://www.wellsfargoresearch.com/Content/Indices/IndicesReport/Wells%20Fargo%20Small%20Issuer%20Long%20Credit%20Index%20(April%2026%202018)%20Final.pdf)

The WF Small Issuer Long Credit Index (the “Index”) is designed to track the performance of Investment Grade Corporate and Government-related Debt with at least ten years until the stated final maturity and outstanding par amounts of greater than or equal to \$300 million. The Index is composed of fixed-rate, taxable, US dollar denominated bonds, issued by corporate and non-corporate components with an investment grade rating or classified as investment grade by Bloomberg Index Services Limited. The inception date of the published Wells Fargo Small Issuer Long Credit Index is April 1, 2018. Index data for periods prior to April 1, 2018 has been calculated and provided by Wells Fargo Asset Management using the same calculation methodology as that used in the published Index. For additional information regarding Index rules and methodology, please see <https://www.wellsfargoresearch.com/Indices> (Index ID I33822US).

Simulated performance results have many inherent limitations, some of which are described below. **Simulated performance is not an indicator of future actual results.** No representation is being made that any account will or is likely to achieve results similar to those shown. In fact, there are frequently sharp differences between simulated performance results and the actual performance results subsequently achieved by any particular trading program. One of the limitations of simulated performance results is that they are generally prepared with the benefit of hindsight. In addition, simulated trading does not involve financial risk, and no simulated trading record can completely account for the impact of financial risk in actual trading. For example, the ability to withstand losses or to adhere to a particular trading program in spite of trading losses are material points which can also adversely affect actual trading results. There are numerous other factors related to the markets in general or to the implementation of any specific trading program which cannot be fully accounted for in the preparation of simulated performance results and all of which can adversely affect actual trading results. Results include the reinvestment of dividends and other earnings.

Source: Wells Fargo Asset Management, FactSet.

Disclosures

Wells Fargo Asset Management (WFAM) is the trade name for certain investment advisory/management firms owned by Wells Fargo & Company. These firms include but are not limited to Wells Capital Management Incorporated and Wells Fargo Funds Management, LLC. Certain products managed by WFAM entities are distributed by Wells Fargo Funds Distributor, LLC (a broker-dealer and Member FINRA). Associated with WFAM is Galliard Capital Management, Inc. (an investment advisor that is not part of the WFAM trade name/GIPS firm).

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