

The Value of Asset Allocation

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	'08-'22 Average
Dev Ex-U.S. Fixed Inc 11.4%	Emg-Mkt Equities 79.0%	U.S. Small-Cap Equities 26.9%	Emg-Mrk Fixed Inc 8.5%	Emg-Mkt Equities 18.6%	U.S. Small-Cap Equities 38.8%	U.S. Large-Cap Equities 13.7%	U.S. Large-Cap Equities 1.4%	U.S. Small-Cap Equities 21.3%	Emg-Mkt Equities 37.8%	CPI 1.9%	U.S. Large-Cap Equities 31.5%	U.S. Small-Cap Equities 20.0%	U.S. Large-Cap Equities 28.7%	Commodities 16.1%	U.S. Large-Cap Equities 8.8%
Inv-Grade Fixed Inc 5.2%	High-Yield Fixed Inc 58.2%	U.S. Mid-Cap Equities 25.5%	Inv-Grade Fixed Inc 7.8%	Emg-Mrk Fixed Inc 18.5%	U.S. Mid-Cap Equities 34.8%	U.S. Mid-Cap Equities 13.2%	Emg-Mrk Fixed Inc 1.2%	High-Yield Fixed Inc 17.1%	Dev Ex-U.S. Equities 25.6%	Cash Alternatives 1.8%	U.S. Mid-Cap Equities 30.5%	Emg-Mkt Equities 18.7%	Commodities 27.1%	CPI 6.8%	U.S. Mid-Cap Equities 8.4%
Cash Alternatives 1.8%	U.S. Mid-Cap Equities 40.5%	Emg-Mkt Equities 19.2%	Dev Ex-U.S. Fixed Inc 5.9%	Dev Ex-U.S. Equities 17.9%	U.S. Large-Cap Equities 32.4%	60%/40% Blend 10.6%	60%/40% Blend 1.2%	U.S. Mid-Cap Equities 13.8%	U.S. Large-Cap Equities 21.8%	Inv-Grade Fixed Inc 0.0%	U.S. Small-Cap Equities 25.5%	U.S. Large-Cap Equities 18.4%	U.S. Mid-Cap Equities 22.6%	Cash Alternatives 1.5%	U.S. Small-Cap Equities 7.2%
CPI 0.1%	Dev Ex-U.S. Equities 32.5%	Commodities 16.8%	High-Yield Fixed Inc 5.0%	U.S. Mid-Cap Equities 17.3%	Dev Ex-U.S. Equities 23.3%	MG&I (Liquid) 6.2%	CPI 0.7%	U.S. Large-Cap Equities 12.0%	U.S. Mid-Cap Equities 18.5%	Dev Ex-U.S. Fixed Inc -1.7%	Dev Ex-U.S. Equities 22.7%	U.S. Mid-Cap Equities 17.1%	60%/40% Blend 16.0%	Hedge Funds -4.3%	60%/40% Blend 6.7%
Emg-Mrk Fixed Inc -10.9%	Emg-Mrk Fixed Inc 28.2%	High-Yield Fixed Inc 15.1%	60%/40% Blend 5.0%	U.S. Small-Cap Equities 16.3%	60%/40% Blend 17.7%	Inv-Grade Fixed Inc 6.0%	Inv-Grade Fixed Inc 0.5%	Commodities 11.8%	U.S. Small-Cap Equities 14.6%	High-Yield Fixed Inc -2.1%	60%/40% Blend 22.1%	60%/40% Blend 15.4%	U.S. Small-Cap Equities 14.8%	High-Yield Fixed Inc -11.2%	High-Yield Fixed Inc 6.1%
Hedge Funds -19.0%	U.S. Small-Cap Equities 27.2%	U.S. Large-Cap Equities 15.1%	CPI 3.0%	U.S. Large-Cap Equities 16.0%	MG&I (Liquid) 10.7%	Emg-Mrk Fixed Inc 5.5%	Cash Alternatives 0.0%	Emg-Mkt Equities 11.6%	60%/40% Blend 14.3%	60%/40% Blend -2.3%	MG&I (Liquid) 19.5%	MG&I (Liquid) 14.8%	Dev Ex-U.S. Equities 11.8%	Inv-Grade Fixed Inc -13.0%	MG&I (Liquid) 5.4%
60%/40% Blend -21.6%	MG&I (Liquid) 26.6%	MG&I (Liquid) 14.0%	U.S. Large-Cap Equities 2.1%	High-Yield Fixed Inc 15.8%	Hedge Funds 9.1%	U.S. Small-Cap Equities 4.9%	Dev Ex-U.S. Equities -0.4%	Emg-Mrk Fixed Inc 10.2%	MG&I (Liquid) 13.6%	U.S. Large-Cap Equities -4.4%	Emg-Mkt Equities 18.9%	Hedge Funds 11.8%	MG&I (Liquid) 10.2%	Dev Ex-U.S. Equities -14.0%	Emg-Mkt Fixed Inc 4.3%
MG&I (Liquid) -24.2%	U.S. Large-Cap Equities 26.5%	60%/40% Blend 12.2%	MG&I (Liquid) 1.7%	MG&I (Liquid) 12.2%	High-Yield Fixed Inc 7.4%	Hedge Funds 3.0%	Hedge Funds -1.1%	MG&I (Liquid) 9.1%	Dev Ex-U.S. Fixed Inc 9.9%	Emg-Mkt Fixed Inc -4.6%	Emg-Mkt Fixed Inc 14.4%	Dev Ex-U.S. Fixed Inc 10.5%	Hedge Funds 10.2%	MG&I (Liquid) -14.7%	Hedge Funds 3.6%
High-Yield Fixed Inc -26.2%	Hedge Funds 20.0%	Emg-Mrk Fixed Inc 12.0%	Cash Alternatives 0.1%	60%/40% Blend 11.4%	CPI 1.5%	High-Yield Fixed Inc 2.5%	MG&I (Liquid) -2.0%	60%/40% Blend 8.2%	Emg-Mrk Fixed Inc 9.3%	Hedge Funds -4.7%	High-Yield Fixed Inc 14.3%	Dev Ex-U.S. Equities 8.3%	CPI 7.0%	60%/40% Blend -15.9%	Inv-Grade Fixed Inc 2.7%
U.S. Small-Cap Equities -33.8%	Commodities 18.9%	Hedge Funds 10.2%	U.S. Mid-Cap Equities -1.5%	Hedge Funds 6.4%	Cash Alternatives 0.0%	CPI 0.8%	U.S. Mid-Cap Equities -2.4%	Hedge Funds 5.4%	Hedge Funds 8.6%	MG&I (Liquid) -4.8%	Hedge Funds 10.4%	Inv-Grade Fixed Inc 7.5%	High-Yield Fixed Inc 5.3%	Emg-Mkt Fixed Inc -16.5%	CPI 2.4%
Commodities -35.6%	60%/40% Blend 18.5%	Dev Ex-U.S. Equities 8.2%	U.S. Small-Cap Equities -4.2%	Inv-Grade Fixed Inc 4.2%	Inv-Grade Fixed Inc -2.0%	Cash Alternatives 0.0%	U.S. Small-Cap Equities -4.4%	Inv-Grade Fixed Inc 2.6%	High-Yield Fixed Inc 7.5%	U.S. Mid-Cap Equities -9.1%	Inv-Grade Fixed Inc 8.7%	High-Yield Fixed Inc 7.1%	Cash Alternatives 0.0%	U.S. Mid-Cap Equities -17.3%	Dev Ex-U.S. Equities 2.3%
U.S. Large-Cap Equities -37.0%	Inv-Grade Fixed Inc 5.9%	Dev Ex-U.S. Fixed Inc 6.8%	Hedge Funds -5.3%	CPI 1.7%	Emg-Mkt Equities -2.3%	Emg-Mkt Equities -1.8%	High-Yield Fixed Inc -4.5%	CPI 2.1%	Inv-Grade Fixed Inc 3.5%	U.S. Small-Cap Equities -11.0%	Commodities 7.7%	Emg-Mkt Fixed Inc 5.9%	Emg-Mkt Fixed Inc -1.5%	U.S. Large-Cap Equities -18.1%	Emg-Mkt Equities 1.0%
U.S. Mid-Cap Equities -41.5%	Dev Ex-U.S. Fixed Inc 3.9%	Inv-Grade Fixed Inc 6.5%	Dev Ex-U.S. Equities -11.7%	Dev Ex-U.S. Fixed Inc 0.8%	Dev Ex-U.S. Fixed Inc -5.1%	Dev Ex-U.S. Fixed Inc -2.5%	Dev Ex-U.S. Fixed Inc -4.8%	Dev Ex-U.S. Fixed Inc 1.9%	CPI 2.1%	Commodities -11.2%	Dev Ex-U.S. Fixed Inc 5.2%	CPI 1.4%	Inv-Grade Fixed Inc -1.5%	Emg-Mkt Equities -19.7%	Cash Alternatives 0.6%
Dev Ex-U.S. Equities -43.1%	CPI 2.7%	CPI 1.5%	Commodities -13.3%	Cash Alternatives 0.1%	Emg-Mrk Fixed Inc -6.6%	Dev Ex-U.S. Equities -4.5%	Emg-Mkt Equities -14.6%	Dev Ex-U.S. Equities 1.5%	Commodities 1.7%	Dev Ex-U.S. Equities -13.4%	CPI 2.3%	Cash Alternatives 0.5%	Emg-Mkt Equities -2.2%	U.S. Small-Cap Equities -20.4%	Dev Ex-U.S. Fixed Inc 0.3%
Emg-Mkt Equities -53.2%	Cash Alternatives 0.1%	Cash Alternatives 0.1%	Emg-Mkt Equities -18.2%	Commodities -1.1%	Commodities -9.5%	Commodities -17.0%	Commodities -24.7%	Cash Alternatives 0.3%	Cash Alternatives 0.8%	Emg-Mkt Equities -14.2%	Cash Alternatives 2.2%	Commodities -3.1%	Dev Ex-U.S. Fixed Inc -9.5%	Dev Ex-U.S. Fixed Inc -21.9%	Commodities -2.6%

Sources: Wells Fargo Investment Institute, © 2023- Morningstar Direct. All Rights Reserved.¹ Asset allocation does not guarantee a profit or protect against loss. Average is calculated as geometric mean. Average is calculated as 15 years from 2008-2022. Allocation blends are rebalanced quarterly. Moderate Growth & Income and 60/40 blend are for illustrative purposes only. Performance results for Moderate Growth & Income and the 60/40 blend are calculated using blended index returns. **Past performance does not guarantee future results.** An index is unmanaged and not available for direct investment.

The Value of Asset Allocation (Standard Deviation)

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	'08-'22 Average
Cash Alternatives 0.3%	Cash Alternatives 0.0%	Cash Alternatives 0.0%	Cash Alternatives 0.0%	Cash Alternatives 0.0%	Cash Alternatives 0.0%	Cash Alternatives 0.0%	Cash Alternatives 0.0%	Cash Alternatives 0.0%	Cash Alternatives 0.1%	Cash Alternatives 0.1%	Cash Alternatives 0.1%	Cash Alternatives 0.2%	Cash Alternatives 0.0%	Cash Alternatives 0.4%	Cash Alternatives 0.3%
CPI 3.2%	CPI 1.0%	CPI 0.5%	CPI 1.3%	CPI 1.4%	CPI 1.0%	CPI 1.3%	CPI 1.2%	CPI 0.7%	CPI 0.8%	CPI 1.0%	CPI 0.8%	CPI 1.2%	CPI 1.2%	CPI 1.9%	CPI 1.4%
Inv-Grade Fixed Inc 6.1%	Inv-Grade Fixed Inc 3.3%	Inv-Grade Fixed Inc 2.9%	Inv-Grade Fixed Inc 2.4%	Inv-Grade Fixed Inc 2.0%	Inv-Grade Fixed Inc 3.2%	Inv-Grade Fixed Inc 2.3%	Inv-Grade Fixed Inc 3.0%	Inv-Grade Fixed Inc 3.7%	Hedge Funds 1.2%	Inv-Grade Fixed Inc 3.1%	Inv-Grade Fixed Inc 3.4%	Inv-Grade Fixed Inc 3.4%	High-Yield Fixed Inc 2.6%	Hedge Funds 5.3%	Inv-Grade Fixed Inc 4.0%
Hedge Funds 9.7%	Hedge Funds 6.2%	Hedge Funds 6.4%	Dev. Ex-U.S. Fixed Inc 6.4%	High-Yield Fixed Inc 4.0%	Hedge Funds 3.7%	Hedge Funds 3.3%	Hedge Funds 4.5%	Hedge Funds 4.2%	Inv-Grade Fixed Inc 1.5%	High-Yield Fixed Inc 3.6%	Emg-Mrk Fixed Inc 4.8%	Dev. Ex-U.S. Fixed Inc 6.2%	Inv-Grade Fixed Inc 2.8%	Inv-Grade Fixed Inc 8.3%	Hedge Funds 6.6%
Dev. Ex-U.S. Fixed Inc 12.1%	Emg-Mrk Fixed Inc 7.1%	Emg-Mrk Fixed Inc 6.8%	Hedge Funds 6.5%	Dev. Ex-U.S. Fixed Inc 4.4%	High-Yield Fixed Inc 4.8%	High-Yield Fixed Inc 4.5%	Emg-Mrk Fixed Inc 5.1%	60%/40% Blend 6.0%	MG&I (Liquid) 1.8%	Emg-Mrk Fixed Inc 5.2%	Hedge Funds 4.9%	Hedge Funds 13.9%	Hedge Funds 5.0%	High-Yield Fixed Inc 11.7%	Dev. Ex-U.S. Fixed Inc 8.4%
60%/40% Blend 13.7%	Dev. Ex-U.S. Fixed Inc 11.6%	High-Yield Fixed Inc 7.2%	Emg-Mrk Fixed Inc 7.0%	Hedge Funds 4.8%	60%/40% Blend 5.7%	60%/40% Blend 5.2%	Dev. Ex-U.S. Fixed Inc 5.8%	High-Yield Fixed Inc 6.1%	High-Yield Fixed Inc 2.2%	Hedge Funds 5.3%	High-Yield Fixed Inc 4.9%	High-Yield Fixed Inc 15.2%	Emg-Mrk Fixed Inc 5.1%	Emg-Mrk Fixed Inc 13.8%	Emg-Mrk Fixed Inc 9.4%
MG&I (Liquid) 16.9%	High-Yield Fixed Inc 13.0%	Dev. Ex-U.S. Fixed Inc 10.3%	60%/40% Blend 9.2%	60%/40% Blend 6.0%	MG&I (Liquid) 5.9%	MG&I (Liquid) 5.7%	High-Yield Fixed Inc 6.4%	MG&I (Liquid) 7.2%	60%/40% Blend 2.4%	Dev. Ex-U.S. Fixed Inc 6.2%	Dev. Ex-U.S. Fixed Inc 5.6%	60%/40% Blend 15.8%	Dev. Ex-U.S. Fixed Inc 5.5%	Dev. Ex-U.S. Fixed Inc 14.0%	High-Yield Fixed Inc 10.1%
Emg-Mrk Fixed Inc 19.1%	MG&I (Liquid) 13.9%	60%/40% Blend 10.9%	High-Yield Fixed Inc 9.6%	Emg-Mrk Fixed Inc 6.1%	Dev. Ex-U.S. Fixed Inc 6.4%	Dev. Ex-U.S. Fixed Inc 6.0%	MG&I (Liquid) 7.1%	Emg-Mrk Fixed Inc 7.5%	Emg-Mrk Fixed Inc 2.8%	MG&I (Liquid) 7.8%	60%/40% Blend 7.4%	Emg-Mrk Fixed Inc 16.1%	MG&I (Liquid) 5.6%	MG&I (Liquid) 15.2%	60%/40% Blend 10.2%
U.S. Large-Cap Equities 21.0%	60%/40% Blend 14.0%	MG&I (Liquid) 10.4%	MG&I (Liquid) 10.1%	MG&I (Liquid) 6.4%	U.S. Large-Cap Equities 8.5%	Emg-Mrk Fixed Inc 6.7%	60%/40% Blend 7.9%	U.S. Large-Cap Equities 10.3%	U.S. Large-Cap Equities 3.9%	60%/40% Blend 8.9%	MG&I (Liquid) 7.5%	MG&I (Liquid) 16.8%	60%/40% Blend 7.0%	60%/40% Blend 16.2%	MG&I (Liquid) 10.5%
High-Yield Fixed Inc 21.7%	Commodities 16.4%	Commodities 19.2%	U.S. Large-Cap Equities 15.9%	U.S. Large-Cap Equities 10.5%	Commodities 9.0%	U.S. Large-Cap Equities 8.3%	U.S. Mid-Cap Equities 11.8%	Dev. Ex-U.S. Fixed Inc 11.3%	Dev-Ex U.S. Equities 4.2%	Commodities 9.4%	Commodities 9.8%	Commodities 20.9%	Dev-Ex U.S. Equities 9.8%	Commodities 21.0%	U.S. Large-Cap Equities 16.3%
Dev-Ex U.S. Equities 27.1%	U.S. Large-Cap Equities 22.3%	U.S. Large-Cap Equities 19.3%	Dev-Ex U.S. Equities 19.5%	U.S. Mid-Cap Equities 11.1%	Emg-Mrk Fixed Inc 9.0%	Dev-Ex U.S. Equities 9.7%	U.S. Large-Cap Equities 13.7%	Commodities 12.5%	U.S. Mid-Cap Equities 4.3%	Dev-Ex U.S. Equities 12.4%	Dev-Ex U.S. Equities 11.5%	U.S. Large-Cap Equities 25.9%	U.S. Large-Cap Equities 11.0%	Emg-Mkt Equities 21.6%	Commodities 17.1%
U.S. Small-Cap Equities 28.5%	U.S. Mid-Cap Equities 25.3%	U.S. Mid-Cap Equities 20.7%	Commodities 19.5%	U.S. Small-Cap Equities 12.9%	U.S. Mid-Cap Equities 9.5%	U.S. Mid-Cap Equities 10.4%	U.S. Small-Cap Equities 14.5%	U.S. Mid-Cap Equities 13.2%	Dev. Ex-U.S. Fixed Inc 4.4%	U.S. Large-Cap Equities 15.3%	U.S. Large-Cap Equities 12.9%	Emg-Mkt Equities 26.1%	Emg-Mkt Equities 11.1%	Dev-Ex U.S. Equities 21.7%	Dev-Ex U.S. Equities 18.1%
U.S. Mid-Cap Equities 28.9%	Dev-Ex U.S. Equities 25.7%	Emg-Mkt Equities 21.1%	U.S. Mid-Cap Equities 19.7%	Commodities 15.2%	U.S. Small-Cap Equities 10.9%	Commodities 13.5%	Dev-Ex U.S. Equities 15.2%	Dev-Ex U.S. Equities 13.5%	Commodities 5.7%	Emg-Mkt Equities 15.4%	U.S. Mid-Cap Equities 14.9%	Dev-Ex U.S. Equities 26.5%	U.S. Mid-Cap Equities 11.4%	U.S. Large-Cap Equities 23.0%	U.S. Mid-Cap Equities 18.8%
Commodities 33.7%	Emg-Mkt Equities 28.9%	Dev-Ex U.S. Equities 22.9%	U.S. Small-Cap Equities 23.3%	Dev-Ex U.S. Equities 16.6%	Emg-Mkt Equities 11.8%	Emg-Mkt Equities 13.6%	Commodities 15.3%	Emg-Mkt Equities 17.8%	Emg-Mkt Equities 6.6%	U.S. Mid-Cap Equities 15.5%	Emg-Mkt Equities 16.5%	U.S. Mid-Cap Equities 32.1%	U.S. Small-Cap Equities 11.6%	U.S. Mid-Cap Equities 24.2%	U.S. Small-Cap Equities 21.1%
Emg-Mkt Equities 37.5%	U.S. Small-Cap Equities 29.4%	U.S. Small-Cap Equities 24.3%	Emg-Mkt Equities 24.5%	Emg-Mkt Equities 19.7%	Dev-Ex U.S. Equities 12.1%	U.S. Small-Cap Equities 15.5%	Emg-Mkt Equities 17.6%	U.S. Small-Cap Equities 18.3%	U.S. Small-Cap Equities 7.8%	U.S. Small-Cap Equities 19.3%	U.S. Small-Cap Equities 17.8%	U.S. Small-Cap Equities 36.4%	Commodities 14.1%	U.S. Small-Cap Equities 25.6%	Emg-Mkt Equities 21.5%

Sources: Wells Fargo Investment Institute, © 2023- Morningstar Direct. All Rights Reserved.¹ Average is calculated as 15 years from 2008-2022. Allocation blends are rebalanced quarterly. Moderate Growth & Income and 60/40 blend are for illustrative purposes only. Performance results for Moderate Growth & Income and the 60/40 blend are calculated using blended index returns. **Past performance does not guarantee future results.** An index is unmanaged and not available for direct investment. Standard Deviation is a statistical measure of the volatility of returns. The higher the standard deviation, the greater volatility has been.

Index returns do not represent investment performance or the results of actual trading. Index returns reflect general market results, assume the reinvestment of dividends and other distributions and do not reflect deduction for fees, expenses or taxes applicable to an actual investment. Unlike most asset class indexes, HFR Index returns reflect deduction for fees. Because the HFR indexes are calculated based on information that is voluntarily provided actual returns may be lower than those reported .

Allocation Composition

60%/40% Blend is composed of 60% S&P 500 Index and 40% Bloomberg U.S. Aggregate Bond Index.

Moderate Growth & Income (Liquid) is composed of 2% Bloomberg U.S. Treasury Bills (1-3M) Index, 30% Bloomberg U.S. Aggregate Bond Index, 6% Bloomberg U.S. Corporate High Yield Index, 5% JPMorgan EMBI Global Index, 24% S&P 500 Index, 10% Russell Midcap Index, 6% Russell 2000 Index, 8% MSCI EAFE Index, 7% MSCI Emerging Markets Index, 2% Bloomberg Commodity Index. U.S. Investment Grade Fixed Income encompasses the allocations to Short Term, Intermediate Term, and Long Term.

Performance results for the Moderate Growth & Income and the 60/40 Blend are for illustrative purposes only. Dynamic allocations change as needed with adjustments to the strategic allocations. Results do not represent actual trading and the results achieved do not represent the experience of any individual investor. In addition, results do not reflect the impact of any fees, expenses, or taxes applicable to an actual investment. The indexes reflect the historical performance of the represented assets and assume the reinvestment of dividends and other distributions. An index is unmanaged and not available for direct investment. **Past performance does not guarantee future results.** Different investments offer different levels of potential return and market risk. Please see below for the definitions and risks associated with the representative indexes.

Index Definitions

Cash Alternatives/Treasury Bills:

Bloomberg U.S. Treasury Bills (1-3M) Index is representative of money markets.

Commodities:

Bloomberg Commodity Index represents futures contracts on 22 physical commodities. No related group of commodities (e.g., energy, precious metals, livestock and grains) may constitute more than 33 percent of the index as of the annual re-weightings of the components. No single commodity may constitute less than 2 percent of the index.

Hedge Funds:

HFRI Fund Weighted Index is a fund-weighted (equal-weighted) index designed to measure the total returns (net of fees) of the approximately 2,000 hedge funds that comprise the Index. Constituent funds must have either \$50 million under management or a track record of greater than 12 months. Sub-strategies include: HFRI Event-Driven, Distressed/Restructuring Index, and HFRI Event-Driven (Total) Index.

High Yield Fixed Income:

Bloomberg U.S. Corporate High-Yield Bond Index covers the U.S. dollar-denominated, non-investment grade, fixed-rate, taxable corporate bond market. Securities are classified as high-yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB= or below. Included issues must have at least one year until final maturity.

Investment Grade Fixed Income:

Bloomberg U.S. Aggregate Bond Index is composed of the Bloomberg U.S. Government/Credit Index and the Bloomberg U.S. Mortgage-Backed Securities Index and includes Treasury issues, agency issues, corporate bond issues, and mortgage-backed securities.

Emerging Market Fixed Income:

JPMorgan EMBI Global Index is a U.S. dollar-denominated, investible, market cap-weighted index representing a broad universe of emerging market sovereign and quasi-sovereign debt. While products in the asset class have become more diverse, focusing on both local currency and corporate issuance, there is currently no widely accepted aggregate index reflecting the broader opportunity set available, although the asset class is evolving. By using the same index provider as the one used in the developed-market bonds asset class, there is consistent categorization of countries among developed international bonds (ex. U.S.) and emerging market bonds.

Developed Market Fixed Income:

JPMorgan Global Ex United States Index (JPM GBI Global Ex-US) is a total return, market capitalization weighted index, rebalanced monthly, consisting of the following countries: Australia, Germany, Spain, Belgium, Italy, Sweden, Canada, Japan, United Kingdom, Denmark, Netherlands, and France.

International Equity:

MSCI EAFE Index (Europe, Australasia, Far East) Index (MSCI EAFE) is a free float-adjusted market capitalization index designed to measure the equity market performance of developed markets, excluding the U.S. and Canada.

Emerging Market Equity:

MSCI Emerging Markets Index (MSCI EM) is a free float-adjusted market capitalization index designed to measure equity market performance of emerging markets.

Small Cap Equity:

Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000® Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index.

Mid Cap Equity:

Russell Midcap® Index measures the performance of the 800 smallest companies in the Russell 1000 Index, which represent approximately 25% of the total market capitalization of the Russell 1000® Index.

Large Cap Equity:

S&P 500 Index is a market capitalization-weighted index composed of 500 widely held common stocks that is generally considered representative of the US stock market.

CPI (consumer price index) measures the price of a fixed basket of goods and services purchased by an average consumer.

Note: HFRI indexes have limitations (some of which are typical of other widely used indexes). These limitations include survivorship bias (the returns of the indexes may not be representative of all the hedge funds in the universe because of the tendency of lower performing funds to leave the index); heterogeneity (not all hedge funds are alike or comparable to one another, and the index may not accurately reflect the performance of a described style); and limited data (many hedge funds do not report to indexes, and, therefore, the index may omit funds, the inclusion of which might significantly affect the performance shown).

The HFRI indexes are based on information self-reported by hedge fund managers that decide on their own, at any time, whether or not they want to provide, or continue to provide, information to HFR Asset Management, L.L.C. Results for funds that go out of business are included in the index until the date that they cease operations. Therefore, these indexes may not be complete or accurate representations of the hedge fund universe, and may be biased in several ways. Returns of the underlying hedge funds are net of fees and are denominated in USD.

Note: 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.

Risk Considerations

Asset allocation does not guarantee investment returns or eliminate risk of loss.

Fixed Income: Investments in fixed-income securities are subject to interest rate, credit/default, liquidity, inflation and other risks. Bond prices fluctuate inversely to changes in interest rates. Therefore, a general rise in interest rates can result in the decline in the bond's price. Credit risk is the risk that an issuer will default on payments of interest and principal. This risk is higher when investing in high yield bonds, also known as junk bonds, which have lower ratings and are subject to greater volatility. If sold prior to maturity, fixed income securities are subject to market risk. All fixed income investments may be worth less than their original cost upon redemption or maturity. U.S. government securities are backed by the full faith and credit of the federal government as to payment of principal and interest if held to maturity and are subject to interest rate risk.

Commodities: Investing in commodities is not suitable for all investors. Exposure to the commodities markets may subject an investment to greater share price volatility than an investment in traditional equity or debt securities. Investments in commodities may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity. Products that invest in commodities may employ more complex strategies which may expose investors to additional risks.

Foreign: Foreign investing involves risks not typically associated with U.S. investing, including currency fluctuations, political instability, uncertain economic conditions, and different accounting standards. These risks are heightened in emerging markets.

Hedge Funds: Hedge funds are suitable for all investors and are only open to "accredited" or "qualified" investors within the meaning of the U.S. securities laws. They are speculative and involve a high degree of risk that is suitable only for those investors who have the financial sophistication and expertise to evaluate the merits and risks of an investment in a fund and for which the fund does not represent a complete investment program.

Stocks: Stocks are subject to market risk, which means their value may fluctuate in response to general economic and market conditions, the prospects of individual companies, and industry sectors. The prices of small/mid-company stocks are generally more volatile than large company stocks. They often involve higher risks because of smaller and mid-sized companies may lack the management expertise, financial resources, product diversification, and competitive strengths to endure adverse economic conditions.

Wells Fargo Investment Institute, Inc., is a registered investment adviser and wholly owned subsidiary of Wells Fargo Bank, N.A., a bank affiliate of Wells Fargo & Company.

The information contained herein constitutes general information and is not directed to, designed for, or individually tailored to, any particular investor or potential investor. This report is not intended to be a client-specific suitability or best interest analysis or recommendation, an offer to participate in any investment, or a recommendation to buy, hold or sell securities. Do not use this report as the sole basis for investment decisions. Do not select an asset class or investment product based on performance alone. Consider all relevant information, including your existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon.

Wells Fargo Advisors is registered with the U.S. Securities and Exchange Commission and the Financial Industry Regulatory Authority, but is not licensed or registered with any financial services regulatory authority outside of the U.S. Non-U.S. residents who maintain U.S.-based financial services account(s) with Wells Fargo Advisors may not be afforded certain protections conferred by legislation and regulations in their country of residence in respect of any investments, investment transactions, or communications made with Wells Fargo Advisors.

⁽¹⁾The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Wells Fargo Advisors is a trade name used by Wells Fargo Clearing Services, LLC and Wells Fargo Advisors Financial Network, LLC, Members SIPC, separate registered broker-dealers and non-bank affiliates of Wells Fargo & Company.

©2023 Wells Fargo Investment Institute. All rights reserved.

CAR-0123-01486