

News Release | March 4, 2020

Wells Fargo Asset Management Launches Municipal Sustainability Fund

WFAM extends ESG capabilities with new framework for assessing U.S. municipal bonds

SAN FRANCISCO – March 4, 2020 – Wells Fargo Asset Management (WFAM) today announced the launch of the Wells Fargo Municipal Sustainability Fund, highlighting WFAM’s commitment to provide clients innovative solutions and play a leading role in sustainable investing.

The Municipal Sustainability Fund utilizes a municipal bond assessment framework that WFAM developed in-house through the WFAM ESG Impact Framework, a partnership involving municipal bond professionals and Environmental, Social and Governance (ESG) professionals. The fund invests in securities that are assessed to have positive environmental or social impact at the bond or issuer level. The investment process also includes a top-down macroeconomic assessment and a bottom-up fundamental security analysis.

The fund is managed by WFAM’s Municipal Fixed Income team, a 28-member investment team with a long track record in national and specialty state municipal bond portfolios.

“We are proud to launch the Municipal Sustainability Fund and to assist our clients in their search for returns and sustainable investment options,” said Nico Marais, CEO of WFAM. “We are committed to being a leading player in sustainable investing, and this fund offers a great combination of our investment expertise and ESG capabilities.”

Hannah Skeates, global head of Sustainable Investing at WFAM, said, “It’s important for us to play a role in building the new constructs that the industry requires for robust sustainable investing. The WFAM ESG Impact Framework is the result of detailed work to take respected global principles and develop a process for applying those principles to individual municipal securities. We are excited to help lead the way in the evolution of this important area of investing.”

The fund is managed by Wendy Casetta, Terry Goode and Robert Miller, veteran senior portfolio managers with the WFAM Municipal Fixed Income team. The Municipal Fixed Income team manages \$40 billion (as of December 31, 2019) across 16 strategies. On average, the team has 22 years of industry experience and 11 years with the WFAM team.

For more information on the Municipal Sustainability Fund, please visit [WFAM.com](https://www.wf.com).

About WFAM Sustainable Investing

WFAM’s dedicated Sustainable Investing team is made up of experienced ESG professionals who provide a holistic vision for the firm and partner on ESG and sustainability initiatives, including:

- Supporting the development of methodologies for integrating material ESG risk assessment into ongoing investment analysis and portfolio management.
- Assessing the investment implications of climate change and the design of portfolio decarbonization strategies.
- Developing frameworks to help allocate capital to positive and impactful sustainability outcomes.
- Providing firm-level stewardship, with strategic and tactical company engagement.

Portfolio Manager Biographies

Wendy Casetta is a senior portfolio manager for the WFAM Municipal Fixed Income team. She joined WFAM from Strong Capital Management, where she held a similar position. Prior to joining Strong, Wendy was a fixed-income trader and investment associate at Barnett Capital Advisors in Jacksonville, FL. She began her investment industry career in 1993 as a registered representative at the Nicholas Company in Milwaukee, WI. Wendy earned a bachelor's degree in finance from the University of Wisconsin, Oshkosh, and a master's degree in business administration from the University of North Florida, Jacksonville.

Terry Goode is a senior portfolio manager for the WFAM Municipal Fixed Income team. Previously, Terry served as the leader of the WFAM Tax-Exempt Research team, where he managed a group of professionals who provide credit research for the Municipal Fixed Income team. He also specialized in directly covering a number of municipal sectors. Prior to joining WFAM in 2002, he performed similar research duties and provided bond ratings as a director at Standard & Poor's Credit Market Services, focusing on health care, education and nonprofit sectors. He began his investment industry career in 1995, when he held a similar position with Wells Fargo Bank's health care division, analyzing the credit quality for a variety of nonprofit and corporate health care organizations. He earned a bachelor's degree in economics from the University of California, Los Angeles, and a master's degree in business administration with an emphasis in finance and investment strategy from the Haas School of Business at the University of California, Berkeley. Terry is a member of the California Society of Municipal Analysts, the National Federation of Municipal Analysts and the Healthcare Financial Management Association.

Robert Miller is a senior portfolio manager for the WFAM Municipal Fixed Income team, where he manages both mutual funds and separate accounts. Prior to joining WFAM in 2008, Robert worked for American Century Investments for 10 years, where he was part of a team managing the firm's municipal bond portfolios. Robert had direct responsibility for the firm's national intermediate- and long-term investment grade strategies. In addition, he managed several other state-specific funds for the firm. Robert also served as a member of its analytical team. Earlier, Robert spent eight years in New York as a municipal bond analyst with Moody's Investors Service, where he served as an analyst in the States and High Profile Ratings Group as well as the Airport Credit Group, the Southeast Regional Ratings Group and the Mid-Atlantic Regional Ratings Group. He also founded a small venture capital firm and served as a consultant with Black and Veatch and KPMG Peat Marwick, where he specialized in conducting financial feasibility studies in support of large infrastructure projects. Robert earned a bachelor's degree in business administration with a concentration in finance from San Jose State University and a master's degree in business administration from the Leonard N. Stern School of Business at New York University.

About Wells Fargo Asset Management

At Wells Fargo Asset Management, we put the client at the center of everything we do. Our commitment: Help clients achieve what matters most to them on their path to financial well-being. We do this by channeling the collective wisdom of our specialized investment teams (backed by over 510 investment professionals) into solutions designed to help meet clients' goals. We place a relentless focus on pursuing consistent and positive risk-adjusted returns, with the support of our independent risk management teams. Together, we strive to help our clients build portfolios aimed at generating

successful outcomes and defending them against uncertainty. With more than \$509 billion in assets under management¹ and offices around the world, Wells Fargo Asset Management has the resources and reach to help clients across the globe—be it institutions or intermediaries whose focus on the client is akin to our own.

1. AUM is as of December 31, 2019 and includes \$90.7 billion from Galliard Capital Management, an investment advisor that is not part of the WFAM trade name/GIPS firm.

Bond values fluctuate in response to the financial condition of individual issuers, general market and economic conditions, and changes in interest rates. Changes in market conditions and government policies may lead to periods of heightened volatility in the bond market and reduced liquidity for certain bonds held by the fund. In general, when interest rates rise, bond values fall and investors may lose principal value. Interest rate changes and their impact on the fund and its share price can be sudden and unpredictable. High-yield securities have a greater risk of default and tend to be more volatile than higher-rated debt securities. The use of derivatives may reduce returns and/or increase volatility. Investing in environmental, social, and governance (ESG) carries the risk that, under certain market conditions, the investments may underperform products that invest in a broader array of investments. In addition, some ESG investments may be dependent on government tax incentives and subsidies and on political support for certain environmental technologies and companies. The ESG sector also may have challenges such as a limited number of issuers and liquidity in the market, including a robust secondary market. Investing primarily in responsible investments carries the risk that, under certain market conditions, an investment may underperform funds that do not use a responsible investment strategy. This fund is exposed to municipal securities risk. Consult the fund's prospectus for additional information on these and other risks.

Carefully consider a fund's investment objectives, risks, charges, and expenses before investing. For a current prospectus and, if available, a summary prospectus, containing this and other information, visit wfam.com. Read it carefully before investing.

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).

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Some of the information contained herein may include forward-looking statements about the expected investment activities of the funds. These statements provide no assurance as to the funds' actual investment activities or results. Readers must make their own assessment of the information contained herein and consider such other factors as they may deem relevant to their individual circumstances. PAR-0320-04848

INVESTMENT PRODUCTS: NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE

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