

Product Alert

August 16, 2018

Enhancements to the Wells Fargo Dynamic Target Date Funds

The Wells Fargo Funds Board of Trustees has approved several enhancements to the Wells Fargo Dynamic Target Date Funds. The changes are intended to create an improved target date solution for existing and prospective shareholders and are planned to take effect on or about September 21, 2018.

The planned enhancements are as follows:

- Replace all current underlying investments in the Dynamic Target Date Fund suite with factor-enhanced indices for most of the equity exposures and certain fixed-income exposures. This enables us to reduce expenses across all of the funds.
- Seek to provide better risk-adjusted returns over a full market cycle through factor-enhanced equity indices. Factor-based fixed-income indices for the U.S. investment-grade and high-yield corporate bond allocations seek to improve diversification and liquidity. These are the same factor-enhanced indices used by the Wells Fargo Target Date Funds.
- Modify the glide path modestly to remove the alternative investment allocation as necessary in order to coincide with the planned investments in the factor-enhanced strategies.
- Change the fund suite's fiscal year end from May 31 to February 28.

Please refer to the prospectus supplements and the following Q&A for more information.

Q. Will these changes have tax consequences for clients?

A. These changes may create capital gains for clients currently investing in the funds through taxable accounts. We recommend that clients consult their tax advisors about how this may affect them.

Q. Will the expenses be reduced for all funds in the suite?

A. Yes, net operating expenses will be reduced across the funds. These cost savings reflect the changes in the underlying investments and seek to support better investment performance (net of fees). Please see the table at the end of this product alert for expense ratios.

Q. How will the glide path change?

A. The Dynamic Target Date Funds currently invest in alternative investments, which include commodities, real estate investment trusts (REITs), and Treasury Inflation-Protected Securities (TIPS). REITs will be classified as equity securities and TIPS will be classified as fixed-income securities after the enhancements are made to the funds. The funds will no longer invest in commodity securities. Due to these changes in classification and the removal of commodities exposure, the glide path will have modest changes, as outlined in the table below.

Equity exposure (%)		
Point on glide path	Current glide path	New glide path
Beginning	90	92
At retirement	51	55
Landing point	35	40

The table below includes the tickers and CUSIPs for each share class of the fund, as well as the current and new expense caps.

Wells Fargo Fund	Class	Ticker	CUSIP	TA number	Gross expense (%)	Current net expense (%)	New net expense (%) *
Dynamic Target Date Today	A	WDYAX	94988A650	3369	5.29	0.91	0.68
Dynamic Target Date Today	C	WDYCX	94988A643	3561	6.04	1.66	1.43
Dynamic Target Date Today	R4	WDYYX	94988A627	4616	5.01	0.67	0.37
Dynamic Target Date Today	R6	WDYZX	94988A619	4668	4.86	0.52	0.22
Dynamic Target Date 2015	A	WDTAX	94988A593	3370	5.04	0.97	0.68
Dynamic Target Date 2015	C	WDTCX	94988A585	3562	5.79	1.72	1.43
Dynamic Target Date 2015	R4	WDTYX	94988A569	4617	4.76	0.69	0.37
Dynamic Target Date 2015	R6	WDTZX	94988A551	4669	4.61	0.54	0.22
Dynamic Target Date 2020	A	WDTDY	94988A544	3371	4.97	0.99	0.68
Dynamic Target Date 2020	C	WDTEX	94988A536	3563	5.72	1.74	1.43
Dynamic Target Date 2020	R4	WDTGX	94988A510	4618	4.69	0.71	0.37
Dynamic Target Date 2020	R6	WDTHX	94988A494	4670	4.54	0.56	0.22
Dynamic Target Date 2025	A	WDTIX	94988A486	3372	5.43	1.01	0.68
Dynamic Target Date 2025	C	WDTJX	94988A478	3564	6.18	1.76	1.43
Dynamic Target Date 2025	R4	WDTLX	94988A452	4619	5.15	0.73	0.37
Dynamic Target Date 2025	R6	WDTMX	94988A445	4671	5.00	0.58	0.22
Dynamic Target Date 2030	A	WDTNX	94988A437	3373	5.49	1.03	0.68
Dynamic Target Date 2030	C	WDTOX	94988A429	3565	6.24	1.78	1.43
Dynamic Target Date 2030	R4	WDTQX	94988A395	4620	5.21	0.75	0.37
Dynamic Target Date 2030	R6	WDTSX	94988A387	4672	5.06	0.60	0.22
Dynamic Target Date 2035	A	WDTTX	94988A379	3374	5.59	1.04	0.68
Dynamic Target Date 2035	C	WDCTX	94988A361	3566	6.34	1.79	1.43

Wells Fargo Fund	Class	Ticker	CUSIP	TA number	Gross expense (%)	Current net expense (%)	New net expense (%) *
Dynamic Target Date 2035	R4	WDTVX	94988A346	4621	5.31	0.76	0.37
Dynamic Target Date 2035	R6	WDTWX	94988A338	4673	5.16	0.61	0.22
Dynamic Target Date 2040	A	WTDAX	94988A320	3375	5.18	1.05	0.68
Dynamic Target Date 2040	C	WTDCX	94988A312	3567	5.93	1.80	1.43
Dynamic Target Date 2040	R4	WTDEX	94988A288	4622	4.90	0.77	0.37
Dynamic Target Date 2040	R6	WTDFX	94988A270	4674	4.75	0.62	0.22
Dynamic Target Date 2045	A	WTDGX	94988A262	3376	5.30	1.05	0.68
Dynamic Target Date 2045	C	WTDHX	94988A254	3568	6.05	1.80	1.43
Dynamic Target Date 2045	R4	WTDJX	94988A239	4623	5.02	0.77	0.37
Dynamic Target Date 2045	R6	WTDKX	94988A221	4675	4.87	0.62	0.22
Dynamic Target Date 2050	A	WTDLX	94988A213	3377	5.49	1.05	0.68
Dynamic Target Date 2050	C	WTDMX	94988A197	3569	6.24	1.80	1.43
Dynamic Target Date 2050	R4	WTD0X	94988A171	4624	5.21	0.77	0.37
Dynamic Target Date 2050	R6	WTDPX	94988A163	4676	5.06	0.62	0.22
Dynamic Target Date 2055	A	WTDQX	94988A155	3378	5.36	1.05	0.68
Dynamic Target Date 2055	C	WTD RX	94988A148	3570	6.11	1.80	1.43
Dynamic Target Date 2055	R4	WTD TX	94988A122	4625	5.08	0.77	0.37
Dynamic Target Date 2055	R6	WTD UX	94988A114	4677	4.93	0.62	0.22
Dynamic Target Date 2060	A	WTD VX	94987W257	3379	5.48	1.05	0.68
Dynamic Target Date 2060	C	WTD WX	94987W240	3571	6.23	1.80	1.43
Dynamic Target Date 2060	R4	WTD ZX	94987W224	4626	5.20	0.77	0.37
Dynamic Target Date 2060	R6	WTS ZX	94987W216	4678	5.05	0.62	0.22

* The manager has contractually committed through September 30, 2019, to waive fees and/or reimburse expenses to the extent necessary to cap the fund's total annual fund operating expenses after fee waiver at the amounts shown above. Brokerage commissions, stamp duty fees, interest, taxes, acquired money market fund fees and expenses (if any) and extraordinary expenses are excluded from the cap. After this time, the cap may be increased or the commitment to maintain the cap may be terminated only with the approval of the Board of Trustees. The expense ratio paid by an investor is the net expense ratio (the total annual fund operating expenses after fee waivers) as stated in the prospectus.

Any tax or legal information in this document is merely a summary of our understanding and interpretations of some of the current income tax regulations and is not exhaustive. Investors should consult their tax advisor or legal counsel for advice and information concerning their particular situation. Wells Fargo Funds Management, LLC; **Wells Fargo Funds Distributor, LLC**; or any of their representatives may not give legal or tax advice.

Asset allocation and diversification do not ensure or guarantee better performance and cannot eliminate the risk of investment losses.

The target date represents the year in which investors may likely begin withdrawing assets. The funds gradually seek to reduce market risk as the target date approaches and after it arrives by decreasing equity exposure and increasing fixed-income exposure. The principal value is not guaranteed at any time, including at the target date.

The funds invest in alternative investments, such as short sales, which are speculative and entail a high degree of risk. The funds invest using alternative investment strategies such as equity hedged, event driven, global macro, and relative value, which are speculative and entail a high degree of risk. Alternative investments, such as commodities and merger arbitrage strategies, are speculative and entail a high degree of risk. Stock values fluctuate in response to the activities of individual companies and general market and economic conditions. 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. Securities issued by U.S. government agencies or government sponsored entities may not be guaranteed by the U.S. Treasury. Certain investment strategies tend to increase the total risk of an investment (relative to the broader market). The funds may be exposed to foreign investment risk, mortgage- and asset-backed securities risk, new fund risk, regulatory risk, and smaller-company investment risk. Consult the funds' 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 wellsfargofunds.com. Read it carefully before investing.

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