



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

March 5, 2019

Elizabeth A. Ising
Gibson, Dunn & Crutcher LLP
shareholderproposals@gibsondunn.com

Re: Wells Fargo & Company
Incoming letter dated December 22, 2018

Dear Ms. Ising:

This letter is in response to your correspondence dated December 22, 2018 concerning the shareholder proposal (the "Proposal") submitted to Wells Fargo & Company (the "Company") by The Shared Earth Foundation et al. (the "Proponents") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. We also have received correspondence on the Proponents' behalf dated January 30, 2019. Copies of all of the correspondence on which this response is based will be made available on our website at <http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml>. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

M. Hughes Bates
Special Counsel

Enclosure

cc: Sanford J. Lewis
sanfordlewis@strategiccounsel.net

March 5, 2019

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: Wells Fargo & Company
Incoming letter dated December 22, 2018

The Proposal requests that the Company adopt a policy for reducing the greenhouse gas emissions resulting from its loan and investment portfolios to align with the Paris Agreement's goal of maintaining global temperatures substantially below 2 degrees Celsius, and issue annual reports describing targets, plans and progress under this policy.

There appears to be some basis for your view that the Company may exclude the Proposal under rule 14a-8(i)(7), as relating to the Company's ordinary business operations. In our view, the Proposal would require the Company to manage its lending and investment activities in alignment with the goals of the Paris Agreement of maintaining global temperatures substantially below 2 degrees Celsius. By imposing this overarching requirement, the Proposal would micromanage the Company by seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by its board of directors. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on rule 14a-8(i)(7).

Sincerely,

Kasey L. Robinson
Special Counsel

DIVISION OF CORPORATION FINANCE INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.

SANFORD J. LEWIS, ATTORNEY

January 30, 2019
Via electronic mail

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Shareholder Proposal to Wells Fargo & Company Regarding Greenhouse Gas Emissions Reductions on Behalf of As You Sow, the Kariger Revocable Trust, and others

Ladies and Gentlemen:

As You Sow on behalf of the Kariger Revocable Trust, Andrew P. Dobson, the Brian Patrick Edwards Mother Earth Foundation, K.F.P. A California Limited Partnership, the Peter E. Spalding Trust, Samajak LP, the Shallat Chemel Trust of 1994, The Shared Earth Foundation, The Gun Denhart Living Trust, and The Nicola Miner Revocable Trust (the “Proponent”) is beneficial owner of common stock of Wells Fargo & Company (the “Company”) and has submitted a shareholder proposal (the “Proposal”) to the Company. I have been asked by the Proponent to respond to the letter dated December 22, 2018 (“Company Letter”) sent to the Securities and Exchange Commission by Elizabeth A. Ising of Gibson, Dunn & Crutcher LLP. In that letter, the Company contends that the Proposal may be excluded from the Company’s 2019 proxy statement.

Based upon a review of the Proposal, the letter sent by the Company, and the relevant rules, the Proposal is not excludable and must be included in the Company’s 2019 proxy materials under Rule 14a-8. A copy of this letter is being emailed concurrently to Elizabeth A. Ising of Gibson, Dunn & Crutcher LLP.

SUMMARY

The proposal asks the Company to adopt a policy for reducing greenhouse gas emissions resulting from its loan and investment portfolios in alignment with the Paris Agreement's goal of maintaining global temperatures substantially below 2 degrees Celsius, and issue annual reports describing targets, plans, and progress under this policy.

The Company’s argument for exclusion is that the Proposal impermissibly seeks to impose prescriptive and arbitrary standards on the Company’s existing and complex policies and procedures, such that it micromanages the Company’s ordinary business. To the contrary, the only “standards” requested of the Company by the Proposal are to develop and share with its investors a coherent policy for how it will bring its loan and investment practices into alignment with the global Paris climate agreement. The proposal does not require specific actions or dictate what investment choices must occur. Nor does it specify timelines or targets, leaving the

company to assess what it means to be “aligned with” Paris goals.

The Company’s current climate policies do not meet the objectives of the Proposal and do not appear to have not slowed the Company’s investments in greenhouse gas emitting projects or loans. In fact, such investments appear to be increasing and the Company continues to invest significantly above many peers in carbon intensive projects and infrastructure. Given the impacts of climate change and the short amount of time in which to address it, proponents believe that Wells Fargo has a clear responsibility to shareholders to account for whether and how it plans to improve its investment-related climate outcomes.

In the language of the Commission’s 1998 Release, this issue is not micromanagement because it does not impose specific time-frames or methods for implementing complex policies and because there is a large difference between the Company’s current, limited actions to reduce its portfolio climate impacts and the action sought by shareholders. The Company Letter does not even suggest that the company has substantially implemented the proposal. This Proposal -- requesting assessment and reduction of the company portfolio’s carbon impact without mandating the minutia of the company’s day-to-day management -- is appropriate and practical for investors to weigh in on, and is of pivotal concern to a significant portion of investors. Therefore, the proposal does not micromanage and is not excludable pursuant to Rule 14a-8(i)(7).

THE PROPOSAL REDUCING CLIMATE IMPACT

Resolved: Shareholders request that Wells Fargo adopt a policy for reducing the greenhouse gas emissions resulting from its loan and investment portfolios to align with the Paris Agreement's goal of maintaining global temperatures substantially below 2 degrees Celsius, and issue annual reports (at reasonable cost, omitting proprietary information) describing targets, plans, and progress under this policy.

Supporting Statement: Shareholders recommend the report include, among other issues at board and management discretion, discussion of opportunities to expeditiously reduce the portfolio's greenhouse gas (GHG) emissions by avoiding investments in high carbon, high risk fossil fuel projects such as coal, Arctic oil and gas, and tar sands.

Whereas: Banks with financial ties to carbon intensive fossils fuel investments face reputational damage, boycotts, divestment, and litigation that adversely affects shareholder value. Wells Fargo lost billions in deposits and banking business and suffered extensive reputational damage from its support of the Dakota Access Pipeline and other similarly controversial projects.

The Intergovernmental Panel on Climate Change recently released a report finding that "rapid, far-reaching" changes are necessary in the next decade to avoid disastrous levels of global

warming; net emissions of carbon dioxide must fall 45 percent by 2030, reaching "net zero" by 2050.

Banks' financing choices have a major role to play in promoting these goals. Bank lending and investments make up a significant source of external capital for carbon intensive industries. Every dollar banks invest in new fossil fuel infrastructure slows the transition to a clean energy economy.

Peer banks have adopted policies reducing carbon in their loan and investment portfolios, including reducing or avoiding investments in extreme fossil fuels. ING adopted a methodology to measure the carbon content of its portfolio and decrease the climate impact of its loans.¹ BNP Paribas and Natixis' policies phase out business with companies tied to Arctic drilling, oil sands, shale development, and coal energy.² The World Bank committed to end upstream oil and gas financing. Over a dozen banks adopted policies to end or substantially reduce financing for Arctic oil and/ or tar sands projects.³

In contrast, **Wells Fargo has increased investments in the dirtiest fuels** in each of the past three years.⁴ Between 2015 and 2017, Wells poured \$4.6 billion into financing of extreme fossil fuels like tar sands, Arctic oil, and coal.

Despite Wells' broad climate statements, it has not adopted targets, goals, or clear measures to reduce its investments in, or loans to, carbon intensive projects and companies. It joined the "Carbon Principles," but a recent report found no evidence that adoption of the Principles leads to limiting financing of carbon intensive projects.⁵ Wells' Enterprise Security Risk Management program considers client-based climate risk but does not require carbon reductions. Wells' participation in other Advisory and stakeholder groups, including the Portfolio Carbon Initiative, does not require and has not resulted in significant reductions of Wells' fossil fuel investments and loans. In fact, the opposite has occurred.

ANALYSIS

The Proposal may not be excluded under Rule 14a-8(i)(7) Where It Exclusively Addresses Matters Related to the Significant Policy Issue of Climate Change and Does Not Micromanage, Even Where It May Impact Ordinary Business Operations.

The Proposal is not excludable under Rule 14a-8(i)(7) because it directly and solely focuses on a significant policy issue facing the Company and the economy: climate change. The proposal focuses on an essential aspect of this issue for shareholders – whether the Company plans to

¹ <https://www.eco-business.com/press-releases/ing-reveals-2c-scenario-analysis-method-for-corporate-lending-portfolios/>

² <https://www.upi.com/BNP-Paribas-says-it-will-no-longer-back-oil/4921507715402/>

³ https://www.banktrack.org/campaign/banks_that_ended_direct_finance_for_arctic_oil_and_gas_projects

⁴ [http://www.ran.org/wp-content/uploads/rainforestactionnetwork/pages/19540/attachments/original/1525099181/Banking on Climate Change 2018 vWEB.pdf?1525099181](http://www.ran.org/wp-content/uploads/rainforestactionnetwork/pages/19540/attachments/original/1525099181/Banking_on_Climate_Change_2018_vWEB.pdf?1525099181), p.6.

reduce its investments and loans in projects that increase greenhouse gas emissions.

It is well settled in Staff determinations that proposals addressing the subject matter of climate change fall within a significant policy issue that transcends ordinary business. See, e.g., *DTE Energy Company* (January 26, 2015), *J.B. Hunt Transport Services, Inc.* (January 12, 2015), *FirstEnergy Corp.* (March 4, 2015)(proposals not excludable as ordinary business because they focused on reducing GHG and did not seek to micromanage the company); *Dominion Resources* (February 27, 2014), *Devon Energy Corp.* (March 19, 2014), *PNC Financial Services Group, Inc.* (February 13, 2013), *Goldman Sachs Group, Inc.* (February 7, 2011)(proposals not excludable as ordinary business because they focused on significant policy issue of climate change); *NRG Inc.* (March 12, 2009)(proposal seeking carbon principles report not excludable as ordinary business); *Exxon Mobil Corp.* (March 23, 2007)(proposal asking board to adopt quantitative goals to reduce GHG emissions from the company's products and operations not excludable as ordinary business); *Exxon Mobil Corp.* (March 12, 2007)(proposal asking board to adopt policy significantly increasing renewable energy sourcing globally not excludable as ordinary business); *General Electric Co.* (January 31, 2007)(proposal asking board to prepare a global warming report not excludable as ordinary business). Moreover, Staff Legal Bulletin 14H has made it clear that if a proposal addresses in its entirety a significant policy issue like climate change, it can certainly request information about "nitty-gritty" business matters that are directly related to that subject matter.⁵

The Company incorrectly characterizes the issues raised in the proposal as ordinary business and asserts that the request would impermissibly interfere with core matters involving the Company's complex operational and business decisions. The Company Letter asserts that asking the company to come into alignment with global goals would "directly dictate certain lending, financing and investment choices made by the Company" or interfere with the Company's ability to direct its lending, financing, and investment banking and other arrayed financial services.

This argument holds no water; the Staff has made the standard for evaluating the relationship between a "subject matter" such as climate change, and business matters, such as assessing and applying metrics for making finance decisions, very clear.⁶ A proposal which is squarely focused

⁵ Staff Legal Bulletin No. 14H (October 2015), section C. Rule 14a-8(i)(7)

⁶ See, Staff Legal Bulletin 14E, Oct. 27, 2009. "On a going-forward basis, rather than focusing on whether a proposal and supporting statement relate to the company engaging in an evaluation of risk, we will instead focus on the subject matter to which the risk pertains or that gives rise to the risk. The fact that a proposal would require an evaluation of risk will not be dispositive of whether the proposal may be excluded under Rule 14a-8(i)(7). Instead, similar to the way in which we analyze proposals asking for the preparation of a report, the formation of a committee or the inclusion of disclosure in a Commission-prescribed document — where we look to the underlying subject matter of the report, committee or disclosure to determine whether the proposal relates to ordinary business — we will consider whether the underlying subject matter of the risk evaluation involves a matter of ordinary business to the company. In those cases in which a proposal's underlying subject matter transcends the day-to-day business matters of the company and raises policy issues so significant that it would be appropriate for a shareholder vote, the proposal generally will not be excludable under Rule 14a-8(i)(7) as long as a sufficient nexus exists between the nature of the proposal and the company. Conversely, in those cases in which a proposal's underlying subject matter involves an ordinary business matter to the company, the proposal generally will be excludable under Rule 14a-8(i)(7). In determining whether the subject matter raises significant policy issues and has a sufficient nexus

on a significant policy issue, and for which there is a clear nexus to the Company, will not be found to be excludable under Rule 14a-8(i)(7). This is the case even if a proposal requires the company to delve into nitty-gritty business matters such as related strategic financial and investment decisions etc. Indeed, any Proposal addressing a complex policy issue like climate change necessarily must delve into such issues if it is to provide useful information to the company and its investors.

A. The Proposal Is Consistent With Staff Precedents on Climate and Financial Services in Which Proposals Have Been Found Not Excludable Under Rule 14a-8(i)(7)

The Proposal here is consistent with prior proposals Staff has considered in light of the 1998 Release and which have been found to not be excludable under Rule 14a-8(i)(7) because they were directed toward the company's goals on climate change and did not dictate intricate details or methods for achieving the proposal, despite company claims asserting ordinary business or micromanagement of daily activities.

For example, the Staff has correctly allowed proposals similar to the current one, where a report on climate is requested and the climate implications are directly related to the firm's business activities. The Staff has found, in close analogue to the current proposal, that a proposal at another financial institution was not excludable under Rule 14a-8(i)(7) in requesting that the board report to shareholders the company's assessment of the greenhouse gas emissions resulting from its lending portfolio and its exposure to climate change risk in lending, investing, and financing activities. *PNC Financial Services Group, Inc.* (February 13, 2013). As in the present proposal directed toward Wells Fargo, PNC had argued that the proposal addressed ordinary business and micromanagement because any proposal involving an evaluation of a wide range of factors associated with its lending, investing, and financing activities are part of its day-to-day lending and investment operations.

PNC, in attempting to assert the complexity of the issue, and therefore that the proposal micromanaged, had similarly argued:

Any assessment of the effects of the greenhouse gas emissions resulting from PNC's lending portfolio and its exposure to climate change risk as a result of its lending, investing and financing activities ("GHG/Climate Exposure") involves an evaluation of a wide range of factors, including the risk that GHG/Climate Exposure will impact the revenues and cash flow of the Company's borrowers, its trading partners and the institutions comprising its investment portfolio. For example, the Company evaluates the risks associated with GHG/Climate Exposure, to the extent that such risks might impact customers, in connection with the Company's underwriting and investing standards, policies and procedures, as well as in establishing loan pricing policies and loan loss

to the company, as described above, we will apply the same standards that we apply to other types of proposals under Rule 14a-8(i)(7)."

reserves. In addition, GHG/Climate Exposure is just one of many risks that the Company considers as part of its daily operations in conducting its various lines of business, including its daily lending and investment operations.

In essence, the Proposal focuses on matters that involve the Company's fundamental day-to-day business activities and the manner, time and expense that the Company allocates or incurs with respect to one particular category of risk, and would require the Company to allocate significant resources to provide a detailed report that, in effect, summarizes certain aspects of the Company's ordinary business operations.

That the risk in question relates to an environmental issue does not change the focus of the Proposal -- PNC's day-to-day choices in extending credit, managing assets, and investing capital, and how PNC measures the totality of the risk associated with doing business with particular customers or making certain investments. . . . In the end, the problem of balancing of the risks arising from GHG/Climate Exposure relative to other risks and considerations relates to the resolution of ordinary business problems and, in the words of the 1998 Release, it is clearly "impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting." (emphasis added)

The Staff rejected the Company's argument and found that the proposal did not intrude on ordinary business or micromanage the bank.⁷ This followed on the logic of numerous prior proposals that were not excludable under Rule 14a-8(i)(7) in other sectors, asking for action to reduce climate change impacts. These included proposals on scenario planning, potential stranded assets, and transition plans.

PNC followed other financial sector decisions. *Goldman Sachs* (February 7, 2011 and March 1, 2011) reversed the prior staff position⁸ and found that proposals at a financial institution on climate change were not excludable as ordinary business, regardless of whether they related to an analysis of risk to the environment (March 1, 2011) or an analysis of climate related business risk to the firm (February 7, 2011).

Goldman Sachs (February 7, 2011) related to a proposal requesting the board of Goldman Sachs prepare a report disclosing the business risk related to developments in the political, legislative, regulatory and scientific landscape regarding climate change. The Company had argued that the proposal was excludable under Rule 14a-8(i)(7). However, in addition to the new SEC

⁷ We note that the Task Force on Climate-Related Financial Disclosures (TCFD) process that was concluded last year emphasizes the importance for banks and other financial institutions of assessing and disclosing to shareholders climate risk and what companies are doing to reduce such risk. Early shareholder proposals such as *PNC Financial*, *Goldman Sachs* and others helped pave the way in emphasizing the importance to shareholders of understanding in detail how companies, including financial institutions, are addressing the growing risks of climate change. See <https://www.fsb-tcfd.org/publications/final-recommendations-report/>

⁸ The mid-2000's staff decisions in *Wachovia Corporation* (January 28, 2005), *American International Group Inc.* (February 11, 2004), and *Chubb Corporation* (January 25, 2004) were reached prior to Staff Legal Bulletin 14 E as well as the Guidance on climate disclosure. These prior cases failed to find a significant policy issue and/or a nexus to the companies receiving the proposals.

recognition in its Climate Guidance that climate change is a significant public policy issue, the proposal included a nexus: that the company would be materially affected by developments concerning climate change. Here, the Company's status as one of the leading financiers of the fossil fuel industry subject to regulation and reputational damage renders the existence of nexus beyond doubt.

In *Goldman Sachs* (March 1, 2011), the Staff rejected an ordinary business argument in a proposal requesting that the board prepare a global warming report, which may discuss specific scientific data and studies relied on to formulate Goldman Sachs original climate policy, the extent to which Goldman Sachs now believes human activity will significantly alter the global climate, and an estimate of costs and benefits to Goldman Sachs of its climate policy. In addition to asserting the significant policy issue of climate change, the proponents discussed the nexus of Goldman Sachs to the proposal's subject matter extensively in the proposal, including quoting from the company's "environmental policy framework", speculating that the company's commitment to global warming may be based on the hope that cap and trade legislation will provide an opportunity for the company to own and/or operate exchanges on which carbon credits could be traded, and finally discussing how the company's reliance on government mandates, subsidies, loans and bailouts has become a flashpoint for anger among taxpayers. The proponents suggested that revisiting the climate policy might help the company to free itself from dependence on government action to stay in business.

As the above cases demonstrate, seeking a policy for reducing the greenhouse gas emissions associated with its loan and investment portfolios, and asking that the Company disclose its success in doing so, are directly related to the subject matter of climate change and are an appropriate focus for the Proposal even where ordinary financial business decisions may be affected.

B. The Proposal Does Not Micromanage

A long line of staff decisions have held that Proposals are excludable on the basis of micromanagement where they seek prescriptive actions on day-to-day levels of minutia. For instance, in *Marriott International Inc.* (March 17, 2010) the proposal addressed minutia of operations – prescribing the flow limits on showerheads. In *Duke Energy Corporation* (February 16, 2001) the proposal attempted to set what were essentially regulatory limits on the company — 80% reduction in nitrogen oxide emissions from the company's coal-fired plant and limit of 0.15 lbs of nitrogen oxide per million British Thermal Units of heat input for each boiler excludable despite proposal's objective of addressing significant environmental policy issues.

The Company's assertions of micromanagement and its detailed articulation of the complexity of the underlying decision-making terrain come at a time in which recent Staff decisions and Staff Legal Bulletin 14J⁹ appear to invite companies to make new arguments that long-standing types of shareholder proposals, including issues raising important public policy concerns, suddenly

⁹ Staff Legal Bulletin 14J, Oct. 23, 2018.

entail micromanagement when applied at a particular company. This has resulted in numerous no action requests for the 2019 season going to great lengths to assert that “complex issues” like management of greenhouse gases, the use of antibiotics in the supply chain, promotion of gender equity, management of the firm’s pollution impacts, impacts on civil rights, etc. -- essentially a broad range of long-standing and established areas of shareholder concern -- have suddenly become prohibited areas whose consideration creates a risk of undermining the board and management’s well-considered decisions, priorities, and strategies regarding how to address the issues.

Shareholders have a long-standing and appropriate role of engaging with portfolio companies through the shareholder proposal process to track and improve a company’s strategy for addressing various impacts on society. Proposals directed toward guiding and even redirecting business strategy decisions on significant policy issues have long been at the core of the shareholder proposal process, and not a basis for exclusion.

In Staff Legal Bulletin 14J, Staff attempted to consolidate its discussion of micromanagement and noted an intent to consider the potential for micromanagement in proposals addressing “specific timelines and methods.”¹⁰ However, the Bulletin also noted that it was the staff’s intention to implement this new framework “consistent with the Commission’s guidance in this area.”¹¹ The Commission’s pronouncements on this issue have made it abundantly clear that it has not endorsed or proposed an absolute restriction against requests for timelines or specific methods. Quite to the contrary, the Commission in the 1998 Release -- the most recent and authoritative Commission-level statement regarding the application of micromanagement made it clear that requests regarding methods and timelines can be acceptable:

. . . . in the Proposing Release we explained that one of the considerations in making the ordinary business determination was the degree to which the proposal seeks to micromanage the company. We cited examples such as where the proposal seeks intricate detail, or seeks to impose specific timeframes or to impose specific methods for implementing complex policies. **Some commenters thought that the examples cited seemed to imply that all proposals seeking detail, or seeking to promote timeframes or methods, necessarily amount to ordinary business. . . . We did not intend such an implication. Timing questions, for instance, could involve significant policy where large differences are at stake, and proposals may seek a reasonable level of detail without running afoul of these considerations. (emphasis added)**

An often cited example of a “small” difference between a proposal’s request and company actions was highlighted by a proposal filed with DuPont over the timing of the phaseout of ozone-depleting CFCs. Where the company had effectively come into line with the proponent’s original requested phase out date for CFCs, the court held that the negligible difference from the

¹⁰ Staff Legal Bulletin 14J, Oct. 23, 2018.

¹¹ See Release No. 34-40018 (May 21, 1998).

proponent's requested date and the company's planned phaseout date no longer amounted to a significant policy issue and could be considered a matter of ordinary business. *Roosevelt v. E.I. Du Pont De Nemours & Company*, 958 F.2d 416 (1992).

In contrast, it has never been the case, and would be an incorrect interpretation of the Commission's Release, to conclude, for example, that a request to set a GHG reduction target to be met in 12 years would constitute micromanagement, especially where no target was being considered by a company. *See Dupont*. Nor is it inappropriate to include details in a proposal sufficient to allow shareholders to understand what is being requested, and how it differs from the Company's current policies. Every proposal must strike a correct balance between specificity and vagueness.¹²

The Proposal here, which addresses the significant policy issue of climate change and achieving greenhouse gas reductions in line with a global policy goal, where large differences in company action are at stake, is consistent with the Commission's Release. It is also consistent with prior proposals the Staff has considered which have been found to not be excludable under Rule 14a-8(i)(7) despite company claims asserting ordinary business or micromanagement, because, as in the present proposal, they were directed toward the company's plans on climate change and did not dictate intricate details, specific timelines, or methods for achieving the proposal.

C. The Proposal Does Not Set or Require Specific Targets or Timelines

In this instance, the Proposal does not seek specific timelines or targets. It requests that greenhouse gas emissions be *aligned* with Paris targets, leaving the specifics of how that alignment occurs -- as to both to timing and methods -- to the Company's judgement.

The Company Letter asserts incorrectly that the Proposal requires the Company to achieve an impermissible time-bound, quantitative target of net zero emissions by 2100. The Company creatively draws this conclusion by noting that in order to maintain global temperatures below 2 degrees, "net zero emissions must occur globally in the second half of this century." The Proposal, however, specifically and intentionally *does not ask Wells Fargo to adopt the Paris goal*. The Paris Agreement assigns no specific allocation of emissions targets to sectors, let alone to individual companies. Achieving net zero carbon emissions is a global goal that will be achieved only by aligning global government climate policies, global corporate climate policies, individual actions, and a range of other factors with the physics of the world's environmental systems to achieve necessary reductions. The Company's misreading of the Proposal is plain.

What the Proposal does ask is that the Company create a plan based on its own assessment of alignment with the Paris goal. The Supporting Statement suggests ways the Company might do

¹² If a proposal is too vague in defining what is requested, the Staff will exclude it under Rule 14a-8(i)(3). Further, a vague proposal that *fails* to ask for action scaled and paced to global needs - merely asking for a climate strategy - may also be subject to challenge by even the most poorly performing companies under Rule 14a-8(i)(10).

so, at its discretion. Many companies, including some banks, have adopted science-based targets as one example of how such a plan might work. It can reasonably be asserted that the proposed Company plan should adopt a downward trend in its financed emissions over time to be in alignment with the Paris plan, but this is not an impermissibly detailed requirement. Similarly, the Company may set whatever timeline it chooses to achieve its Plan so long as the timeline is aligned with the Paris goal. The Company could adopt early emission reductions, incremental emissions over time, back-loaded emissions, or a combination thereof. Since the Proposal allows the Company's plan to encompass a broad range of actions along a timeline that it sets so long as both are reasonably aligned with Paris goals, the Proposal does not fall within the long-standing prohibitions on micromanagement.

The Company Letter cites to two recent Staff decisions that found certain proposals requesting targets, timelines, or specified methods to constitute micromanagement (fn. JPMorgan Chase, EOG, Apple, etc.). The Company Letter cites to *Verizon Communications* (March 2018), in which staff concurred that a proposal asking the company to evaluate the feasibility of achieving net zero emissions by 2030 could be excluded. While staff's decision in *Verizon* may ultimately be found to be in error under the Commission's 1998 release, it is inapposite here. Unlike *Verizon*, the Proposal here does not set an interim timeline for action, nor does it ask the Company to set a net zero emissions goal. Similarly, *EOG Resources* (Feb 26, 2018) focused on a request to set "quantitative, time bound targets for reducing greenhouse gas emissions," a request that appears to be acceptable under the Release and the Dupont court ruling. In this case, the Proposal does not ask for a specific time bound target, seeking instead a plan for reduction of the Company's portfolio greenhouse gas emissions to align with the Paris Agreement goal, and reporting of targets, plans, and progress under the policy. If such a plan -- asking for reductions in greenhouse gas emissions in line with a global policy -- were found to be micromanagement, shareholders would effectively be denied any meaningful requests relating to the important public policy of global warming. This does not appear to be the intent of Staff.

This newly minted focus by companies on challenging nearly all climate-related proposals as micromanagement is a misdirected interpretation of the concept and a disservice to the shareholder proposal process' goal of focusing company and board attention and action on this important public policy issue. It is entirely appropriate, and long-standing practice, to file proposals that ask companies to describe how they will fulfill, respond to, or be impacted by emerging public policies. Often such policies have time frames and levels of effort implicit in them, and it is clearly not micromanagement for shareholders to request adequate disclosure of how the company sees its activities scaled and paced against public policy demands. Nothing of the kind was implied by the prior Commission pronouncements.

D. A Proposal That Addresses a Large Issue Related to the Company's Responsiveness To the Significant Policy Issue of Climate Change May Not Be Excluded As Micromanagement Simply Because the Company Has Climate-Related Policies in Place that Do Not Address the Purpose of the Proposal

The Company Letter asserts that the Proposal micromanages the Company's responses to climate

change, because the Company already has certain policies and disclosures in place in relation to climate change that would be required to be supplemented with additional disclosures and management efforts if the Proposal were to be implemented. The Company, correctly, does not claim that its current policies or disclosures “substantially implement” the guidelines or essential purpose of the Proposal as would be required under Rule 14a-8(i)(10), but only that the Proposal delves too far into the ordinary business of the company by recommending policies that might drive the company toward different risk management considerations, lending outcomes, or data gathering.

The Company’s existing climate change statement, on its webpage, acknowledges the growing concerns related to climate change, including the conclusions of the IPCC and the role of climate change in security risk. Accordingly, the Company pledges on its webpage to “do our part” to find solutions, noting the Company’s role in financing environmentally beneficial technologies and economic opportunities such as renewable energy, sustainable agriculture, and alternative transportation. While the Company asserts that “we are managing carbon risks in our lending and operations” and “continually assessing risks in our loan portfolios” the only operational management related specifically to global warming appears limited to modeling the effect of carbon pricing on utility customers and joining a UNEP Program that may eventually develop Greenhouse Gas Sector Guidance for Financial Institutions¹³. As outlined in the Company Letter, the ESRM Framework addresses risk broadly, but does not specifically require climate related action.

Notably, the items described in the Company’s limited climate policies stop short of any commitment to assess, consider, or manage the total GHG footprint of its financing practices and portfolio. This is the thrust of the Proposal, and the “delta”¹⁴ or change requested from current practices:

Resolved: Shareholders request that Wells Fargo adopt a policy for reducing the greenhouse gas emissions resulting from its loan and investment portfolios to align with the Paris Agreement’s goal of maintaining global temperatures substantially below 2 degrees Celsius, and issue annual reports (at reasonable cost, omitting proprietary information) describing targets, plans, and progress under this policy.

The sole question raised by the Company’s no action challenge is whether such a request micromanages by delving too deeply into the complex terrain of financial decision-making on climate change that the management has laid out in its various policy pronouncements and risk management approaches. The claims in the Company Letter that exclusion is appropriate

¹³ . . . including modeling the effect of a carbon price on our power and utilities industry customers. In 2008, we adopted the Carbon Principles for assessing risks associated with financing new electric power projects in the U.S. We became a member of the Advisory Group for the World Resources Institute/United Nations Environment Program for Financial Institutions Greenhouse Gas Sector Guidance in 2013, to support the development of an internationally harmonized greenhouse gas standard for financial intermediaries which measures, reports, and tracks company performance.

¹⁴ Staff Legal Bulletin 14J.

because existing processes are complex, decisions and strategies are well-considered, and priorities have been set *amounts to an assertion that the performance and goals that the company has adopted* are not subject to any intervention or change request by the Company's investors. If this were the case, it would eliminate the vast majority of shareholder proposals directed toward improving performance or reducing negative impact of companies.

Staff's prior decisions do not support such a broad reading of micromanagement. In addition to the cases described above in Section A, a similar line of cases are equally on point. In the cases set forth below, Staff allowed proposals addressing the important public policy of human rights to go forward even where those proposals might interfere or change investment decisions made by the companies.

An example is *Franklin Resources, Inc.* (December 30, 2013), a proposal addressing a significant policy issue of human rights associated with investment in companies that contribute to genocide or crimes against humanity. Their Proposal requested:

“ . . . that the Board institute transparent procedures to avoid holding or recommending investments in companies that, in management's judgment, substantially contribute to genocide or crimes against humanity, the most egregious violations of human rights. Such procedures may include time-limited engagement with problem companies if management believes that their behavior can be changed. In the rare case that the company's duties as an advisor require holding these investments, the procedures should provide for prominent disclosure to help shareholders avoid unintentionally holding such investments.”

Such proposal was found to be not excludable pursuant to Rule 14a-8(i)(7). The proponents sought disclosure from the Company regarding its investment choices related to investment in companies that were implicated in genocide. One particular company, PetroChina, implicated in funding the genocide in Darfur, was of main concern. The Company argued that the Proposal was excludable on the basis of 14a-8(i)(7) because, among other points, the Proposal sought to micro-manage the Company. In particular, the Company argued that the Proposal dealt with its ordinary business of buying and selling securities and that the Proposal, if implemented, would interfere with the Company's buying and selling of portfolio securities, micro-manage the Company's communications with its Portfolio Companies, and micro-manage the investment process overall by defining the subject matter and goals of the Company's discussions with its clients, specifying which companies the Company could engage with and requiring divestment along set deadlines.

However, the proponents successfully argued that their proposal did not micro-manage because it did not specify the details of the procedures requested, or their implementation on a day-to-day basis, and left it to the Board and management's judgment to define the companies to be avoided and the procedures to be implemented. Proponents also noted that the Company's peers in the industry had already implemented such investment policies. The Staff found that the proposal focused on the significant policy issue of human rights and did not seek to micromanage the company to such a degree that exclusion of the proposal would be appropriate. Accordingly, the

Staff was unable to concur in the Company's view that it could omit the proposal from its proxy materials in reliance on Rule 14a-8(i)(7).

ING Emerging Countries Fund (May 7, 2012) similarly saw a proposal requesting that the Company institute procedures to prevent holding investments in companies implicated in genocide. In this proposal as well, the Company sought exclusion on the basis of Rule 14a-8(i)(7), arguing that the proposal would micro-manage the Company's day-to-day investment decisions. The Staff was unable to concur with the Company's view, in spite of arguments that the Staff had previously found that "requiring an investment company to divest its holdings in one specific company impermissibly interferes with the conduct of the investment company's ordinary business" and "requiring an investment company to divest from a select group of companies also impermissibly interferes with the conduct of an investment company's ordinary business" (the Company citing *College Retirement Equities Fund*, (May 3, 2004) and *College Retirement Equities Fund*, (May 23, 2005), and did not allow exclusion on the basis of Rule 14a-8(i)(7).

As in each of the examples above, the Proposal here addresses an important public policy issue -- climate change. Shareholders increasingly and justifiably are asking companies for information on, and actions to reduce, their climate-changing emissions. Climate risk is clear, growing, and its impacts are unpredictable on companies and the greater economy. Banks such as Wells Fargo not only experience climate risk, but can have an outsize impact in creating climate risk, which affects not only the company but investors' broader portfolios. The larger and more carbon intensive a bank's loans and investments, the more emissions are locked in over the next 30 to 40 years, and the more difficult it is for the world to achieve its goal of maintaining global temperatures within a range that will preserve the climate as we know it.

Other banks are adopting and publicly announcing a variety of policies to bring their companies' investments and/or loans in line with Paris targets. It is rational for shareholders to ask Wells Fargo to adopt goals similar to its competitors or to report its unwillingness to do so. It is equally acceptable for investors to ask for annual disclosures about the bank's plans, targets, and progress in implementing its Plan, if any. Such information will assist shareholders in their investment decisions including evaluating the direction and magnitude of Company risk; whether the bank is facing more or less carbon risk than competitor banks; whether its investments are increasing climate risk to the economy; whether shareholders want to continue financing such growth in greenhouse gas emissions; and, in a competitive marketplace, whether the company is well situated to take advantage of climate related opportunity or is focused more on activities that generate climate-related risk. Disclosure is critical to investor decision making.

The Company states that its current practices involve a case-by-case assessment of climate risk on certain transactions, within the framework of company policies and risk analysis, including in making lending, financing and investment decisions. These policies do not require action to reduce climate change, but imply some level of action by the Company. However, there is no way for investors to know or assess from existing disclosures whether the activities reduce greenhouse gas emissions associated with the Company's portfolio and, if so, whether they are

scaled to addressing carbon risk at a level consistent with goals and commitments expressed globally through the Paris Agreement.

The Proposal effectively picks up where the company's current efforts leave off, by asking the company to ensure that the net effect of its efforts is that, as a financial institution, it is managing financed greenhouse gas emissions consistent with global policy demands. In contrast, other banks have taken more aggressive action in the direction of the Proposal, increasing the scale, pace and rigor of their responses to climate change to be scaled to global needs and policies.

In sum, there is inadequate information in the company's disclosures and actions to know whether the company's decision-making, and the focus of its portfolio, is scaled and paced consistent with the urgency of the global climate crisis. In fact, evidence, including evidence stated in the background section of the proposal, suggests that the bank's carbon exposure is *increasing* rather than decreasing despite the Company's existing carbon risk policies. Thus, it appears that Company policy and implementation is heading in the opposite direction in terms of its societal impact. Thus, this Proposal addresses a fundamental question of business activities directly related to the Company's impacts on climate change.

E. The Current Proposal is Directed Toward Large Differences that Are Practical for Shareholder Engagement

The Proposal is intended to address the significant difference between the Company's current climate related practices and the types of action necessary to help attain the Paris climate goal of maintaining global temperatures in a range where people, the economy, and the environment can avoid cataclysmic harm. The difference between actions currently adopted by the Company and what shareholders expect is quite large. It is therefore reasonable under the 1988 Release to address this issue and to expect a reasonable level of detail without running into micromanagement prohibitions.¹⁵

Further, the need for a plan to reduce invested greenhouse gas emissions and the guidance in the supporting statement regarding what kinds of strategy questions should be addressed by the proposal are limited to questions that are practical for shareholder consideration. There is nothing impractical about shareholders considering, and encouraging the company, to investigate opportunities to expeditiously reduce the company's portfolios greenhouse gas emissions by avoiding investment in high carbon, high-risk fossil fuel projects. This is neither outside the expertise of shareholders, nor does it delve too deeply into intricate details. Similarly, a request for "targets, plans and progress" is a request for the company to clarify the scale, pace and rigor of its efforts to know and reduce the greenhouse gas emissions of its lending portfolio.

Contrary to the Company Letter's claims, the Proposal strikes an appropriate balance of respecting board and management discretion while providing direction from shareholders that the Company needs a much better mechanism for assessing how its carbon footprint fits into

¹⁵ 1988 Release, p. 6.

global climate policy and needs.

F. The Practicality and Importance of Shareholder Consideration Is Demonstrated by Current Market Action and Expectations

The business community, investment analysts, the accounting community, and others are engaged in activities aligned with promoting the same kind of accountability as requested by the Proposal.¹⁶ These analyses, engagements, and proposals seek to fulfill the financial sector's role in the Paris Agreement, Clause 2.1c, which establishes the goal of "Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development."

A significant portion of the investing marketplace is directing its focus toward both disclosure AND action in alignment with these global climate goals. They are seeking engagement with portfolio companies both to increase disclosure of climate risk, but also to align their companies with the transition to a low carbon economy as the only way to "future proof" their companies to ensure sustainable economic growth.

For instance, the International Standards Organization is developing a climate finance standard: ISO 14097, which will track the impact of investment decisions on GHG emissions; measure the alignment of investment and financing decisions with low-carbon transition pathways and the Paris Agreement; and identify the risk from international climate targets or national climate policies to financial value for asset owners. The standard will help define benchmarks for decarbonisation pathways and goals, and track progress of investment portfolios and financing activities against those benchmarks; identify methodologies for the definition of science-based targets for investment portfolios; and develop metrics for tracking progress.

Another initiative, Sustainable Energy Investment (SEI) Metrics, has already tested \$500 billion of equity for 2°C alignment (SEI Metrics, 2018). SEI Metrics covers a limited number of sectors with public equity and corporate portfolios. The project was recently relaunched as Paris Agreement Capital Transition Assessment (PACTA), which aims to measure the current and future alignment of investment portfolios with a 2°C scenario analysis, allowing investors to measure climate performance and address the challenge of shifting capital towards clean energy investments. Since its launch, over 2,000 portfolios have been tested for 2°C alignment with over \$3 trillion in assets under management. Of the 25% of surveyed investors involved in the road-test, 88% said they were likely or very likely to use the assessment in portfolio management, engagement, and / or investment mandate design. In 2017, the model will be expanded to corporate bonds and credit, as well as a broader range of sectors.¹⁷

Further, the Science Based Targets initiative (SBTi) is currently creating methods and

¹⁶ Making Finance consistent with climate goals, Insights for operationalising Article 2.1c of the UNFCCC Paris Agreement Shelagh Whitley, Joe Thwaites, Helena Wright and Caroline Ott December 2018
<https://www.odi.org/sites/odi.org.uk/files/resource-documents/12557.pdf>

¹⁷ <https://2degrees-investing.org/sei-metrics/>

implementation guidance to support financial institutions in setting targets for their investing and lending activities (Cumis et al., 2018). This carbon reduction initiative¹⁸ mobilizes companies to set science-based targets and boost their competitive advantage in the transition to the low-carbon economy. The initiative defines and promotes best practice in setting targets, offers resources and guidance to reduce barriers to adoption, and independently assesses and approves companies' targets. Science-based targets provide companies with a clearly defined pathway to future-proof growth by specifying how much and how quickly they need to reduce their greenhouse gas emissions. Targets adopted by companies to reduce greenhouse gas (GHG) emissions are considered "science-based" if they are in line with the level of decarbonization required to keep global temperature increase below 2 degrees Celsius compared to pre-industrial temperatures, as described in the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC AR5).

Investor demand for climate disclosures in general, and science-based targets specifically, has increased substantially as the risks have become more apparent.¹⁹ For instance:

Anne Simpson, Investment Director, Sustainability, at California Public Employees' Retirement System: "Mapping a company's carbon footprint, or the emissions it produces, and measuring its progress in this area is an important and growing part of our portfolio analysis. Over the long-term investors are saying to these companies that we want them to align their business strategy with the Paris Agreement."

Jeanett Bergan, Head of Responsible Investment at KLP states the potential of better long term returns from setting SBTs: "If we as active owners improve the performance of CO2 intensive companies, that will help us secure better returns in the future."

Andy Howard, Head of Sustainable Research at Schroders has stated: "We want to know how exposed a particular business is to the changing context on climate and what it is practically doing to make the changes required; including its targets, timeframes and the extent of its ambition."

The support for better disclosure and target setting by individual investment firms and experts has been accompanied by increasing recognition of the need for investor disclosure on climate change, including through the recommendations of the global Task Force on Climate-Related Financial Disclosures²⁰ issued in 2017 by the Global Financial Stability Board. The report focuses on recommendations for disclosure of climate risk in annual financial reports. The report offers recommendations for how companies can better disclose clear, comparable and consistent information about the risks and opportunities presented by climate change, in hopes that improved disclosure will lead to more efficient allocation of capital, and help smooth the

¹⁸ <https://sciencebasedtargets.org/>

¹⁹ <http://sciencebasedtargets.org/what-investors-are-saying/>

²⁰ <https://www.fsb-tcfd.org/>

transition to a low-carbon economy.

Another of the many examples of investor engagement is the Climate Action 100+ initiative, backed by 310 investors with more than \$32 trillion in assets under management, including 87 North American investors. Climate Action 100+, launched in December 2017, is an initiative led by investors to engage systemically important greenhouse gas emitters and other companies across the global economy that have significant opportunities to drive the clean energy transition and achieve the goals of the Paris Agreement.

G. Support for Similar Proposals Provides Further Evidence of Widespread Market Support for Monitoring and Elevating a Company's GHG Performance

Shareholders have filed many proposals that request companies to set and disclose targets because this allows investors to more clearly understand and compare companies' ambitions and performance. Setting targets on material issues like greenhouse gas emissions also "provide companies with a clearly defined pathway to future-proof growth by specifying how much and how quickly they need to reduce their greenhouse gas emissions."²¹ Many companies have already set science-based targets (SBTs) in order to combat climate change by reducing their GHG emissions. Currently 412 companies are making science-based climate commitments, and 106 companies have approved SBTs.²² A significant portion of these companies have made these commitments after receiving shareholder proposals, and either having seen the proposals go to a vote, or having proponents withdraw the proposals in exchange for company commitments. Undermining the right to file such proposals would interrupt this productive interchange between shareholders and their companies.

The support for proposals requiring clear action to reduce climate emissions continues to grow. In 2017 and 2018, for instance, various companies either agreed to set SBTs or received a significant amount of shareholder support on these proposals. In 2017, proposals won 33.98 percent of the vote at Emerson Electric,²³ 33.9 percent at Nucor,²⁴ and 30.06 percent at Danaher.²⁵ In 2018, shareholder support was 41.6 percent at Fluor, 57.2 percent at Genesee & Wyoming Inc., 39.0 percent at Emerson Electric, 37.8 percent at CH Robinson, 24.6 percent at Illinois Tool,²⁶ and 21.44 percent at J.B. Hunt.²⁷ Minerals Technology shareholders withdrew their proposal asking for SBTs after the company formalized a new process to review its

²¹ <http://sciencebasedtargets.org/what-is-a-science-based-target/>

²² <http://sciencebasedtargets.org/companies-taking-action/>

²³ <https://www.sec.gov/Archives/edgar/data/32604/000162828017001100/a2017votingresults8-kbody.htm>

²⁴ 8-K: <https://www.sec.gov/Archives/edgar/data/73309/000119312517172145/d397199d8k.htm> Proxy: https://www.sec.gov/Archives/edgar/data/73309/000119312517092987/d309622ddef14a.htm#toc309622_23

²⁵ <https://www.sec.gov/Archives/edgar/data/313616/000119312517167384/d385458d8k.htm>


²⁶ <http://www.trilliuminvest.com/shareholder-proposal/illinois-tool-works-greenhouse-gas-emissions-reduction-targets-2018/>

²⁷ <http://www.trilliuminvest.com/shareholder-proposal/j-b-hunt-greenhouse-gas-emissions-2018/>

environmental impacts and set reduction targets.²⁸ This increase in shareholder support demonstrates a growing acceptance among investors that companies must take action to reduce their contribution of climate change emissions in line with global goals.

CONCLUSION

If this nonbinding Proposal is supported by shareholders, it will provide clear guidance to the board and management that the shareholders believe the Company needs to evaluate how its carbon footprint and carbon footprint trajectory aligns or misaligns with global policy demands. Under such guidance, the Company will need to make many implementing decisions. But this is not delving too deeply into ordinary business matters because the issue – whether the Company's lending and investment portfolio will be part of the solution, or part of the problem – directly addresses the impact of the Company's operations on climate change, an important and timely public policy issue. We believe it is clear that the Company has provided no basis for the conclusion that the Proposal is excludable from the 2018 proxy statement pursuant to Rule 14a-8. As such, we respectfully request that the Staff inform the company that it is denying the no action letter request. If you have any questions, please contact me at 413 549-7333 or sanfordlewis@strategiccounsel.net.

Sincerely,

Sanford Lewis

cc: Elizabeth A. Ising

²⁸ <http://www.trilliuminvest.com/shareholder-proposal/minerals-technologies-greenhouse-gas-emissions-reduction-2018/>. Similarly, in 2018 various companies agreed to, or received significant votes from shareholders, to disclose any targets on GHG emissions. In this regard, proposals for sustainability reporting that also requested disclosure of goals received 57.2 percent of shareholder support at Middleby Corporation (<http://www.trilliuminvest.com/shareholder-proposal/middleby-corporation-sustainability-report-2018/>) and 49.8 percent support Acuity Brands (<http://www.trilliuminvest.com/shareholder-proposal/acuity-brands-sustainability-ghg-reporting-2018/>). See also <https://corpgov.law.harvard.edu/2018/06/27/surprises-from-the-2018-proxy-season/> for a summary of recent support for environmental, governance and social proposals.

December 22, 2018

VIA E-MAIL

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *Wells Fargo & Company*
Shareholder Proposal of The Shared Earth Foundation et al.
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that our client, Wells Fargo & Company (the “Company”), intends to omit from its proxy statement and form of proxy for its 2019 Annual Meeting of Shareholders (collectively, the “2019 Proxy Materials”) a shareholder proposal (the “Proposal”) and statements in support thereof (the “Supporting Statement”) submitted by As You Sow on behalf of The Shared Earth Foundation, Andrew P. Dobson, the Brian Patrick Kariger Revocable Trust, the Edwards Mother Earth Foundation, K.F.P. A California Limited Partnership, the Peter E. Spalding Trust, Samajak LP, the Shallat Chemel Trust of 1994, The Gun Denhart Living Trust, and The Nicola Miner Revocable Trust (the “Proponents”).

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the “Commission”) no later than eighty (80) calendar days before the Company intends to file its definitive 2019 Proxy Materials with the Commission; and
- concurrently sent copies of this correspondence to the Proponents.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the “Staff”). Accordingly, we are taking this opportunity to inform the Proponents that if the Proponents elect to submit additional correspondence to the Commission or the Staff with respect to this Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

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THE PROPOSAL

The Proposal states:

Resolved: Shareholders request that Wells Fargo adopt a policy for reducing the greenhouse gas emissions resulting from its loan and investment portfolios to align with the Paris Agreement’s goal of maintaining global temperatures substantially below 2 degrees Celsius, and issue annual reports (at reasonable cost, omitting proprietary information) describing targets, plans, and progress under this policy.

Supporting Statement: Shareholders recommend the report include, among other issues at board and management discretion, discussion of opportunities to expeditiously reduce the portfolio’s greenhouse gas (GHG) emissions by avoiding investments in high carbon, high risk fossil fuel projects such as coal, Arctic oil and gas, and tar sands.

A copy of the Proposal and the Supporting Statement, as well as related correspondence with the Proponents, is attached hereto as Exhibit A.

BASIS FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the Proposal may be excluded from the 2019 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal impermissibly seeks to impose prescriptive and arbitrary standards on the Company’s existing and complex policies and procedures for assessing sustainability matters as part of its day-to-day lending, financing and investment decisions related to its loan and investment portfolios.

ANALYSIS

The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because It Deals With Matters Related To The Company’s Ordinary Business Operations.

A. Background

Pursuant to Rule 14a-8(i)(7), a shareholder proposal may be excluded if it “deals with a matter relating to the company’s ordinary business operations.” According to the Commission’s release accompanying the 1998 amendments to Rule 14a-8, the term “ordinary business” refers to matters that are not necessarily “ordinary” in the common meaning of the word, but instead the term “is rooted in the corporate law concept [of] providing management with flexibility in directing certain core matters involving the

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company's business and operations." Exchange Act Release No. 40018 (May 21, 1998) (the "1998 Release"). In the 1998 Release, the Commission explained that the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting," and identified two central considerations that underlie this policy. The first is that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight." The second consideration relates to "the degree to which the proposal seeks to 'micro-manage' the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment." *Id.* (citing Exchange Act Release No. 12999 (Nov. 22, 1976)). Moreover, as is relevant here, under Rule 14a-8(i)(7) a proposal that seeks to micro-manage a company's business operations is excludable even if it touches on a significant policy issue.

Framing a shareholder proposal in the form of a request for a report, or multiple reports as is the case with the Proposal, does not change the nature of the proposal. The Commission has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the report is within the ordinary business of the issuer. *See* Exchange Act Release No. 20091 (Aug. 16, 1983) (the "1983 Release"); *Johnson Controls, Inc.* (avail. Oct. 26, 1999) ("[Where] the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business . . . it may be excluded under [R]ule 14a-8(i)(7)."). *See also* Staff Legal Bulletin No. 14J (Oct. 23, 2018) ("SLB 14J"); *Ford Motor Co.* (avail. Mar. 2, 2004) (concurring with the exclusion of a proposal requesting that the company publish a report about global warming/cooling, where the report was required to include details such as the measured temperature at certain locations and the method of measurement, the effect on temperature of increases or decreases in certain atmospheric gases, the effects of radiation from the sun on global warming/cooling, carbon dioxide production and absorption, and a discussion of certain costs and benefits).

In applying the micro-management prong of Rule 14a-8(i)(7), the Staff consistently has concurred that shareholder proposals attempting to micro-manage a company by providing specific details for implementing a proposal as a substitute for the judgment of management are excludable under Rule 14a-8(i)(7). While the proposal addressed in *Ford Motor Co.* (avail. Mar. 2, 2004) set forth specific and detailed reporting requirements in the text of the proposal itself, the Staff has concurred with the exclusion of proposals that lack such detailed reporting requirements where the nature of the proposal (including implementation) nonetheless "prob[es] too deeply into matters of a complex nature." *See Marriott International Inc.* (avail. Mar. 17, 2010) (concurring with the exclusion of a proposal to install and test low-flow shower heads in some of the company's hotels because

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it impermissibly micro-managed the company by requiring the use of specific technologies); *Duke Energy Carolinas, LLC* (avail. Feb. 16, 2001) (concurring with the exclusion of a proposal that recommended to the company's board that they take specific steps to reduce nitrogen oxide emissions from the company's coal-fired power plants by 80% and to limit each boiler to 0.15 pounds of nitrogen oxide per million BTUs of heat input by a certain year). As with the shareholder proposals in these and other precedents discussed below, the Proposal is excludable under Rule 14a-8(i)(7) because it seeks to micro-manage the Company, even if it also addresses a significant policy issue.

B. The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because It Seeks To Micro-Manage The Company

As noted above, the Commission stated in the 1998 Release that one of the considerations underlying the ordinary business exclusion in Rule 14a-8(i)(7) was “the degree to which the proposal seeks to ‘micro-manage’ the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.” The 1998 Release further states, “[t]his consideration may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.”

Here, the Proposal requests that the Company (1) adopt a policy for reducing to a specific level the greenhouse gas (“GHG”) emissions resulting from lending, financing and investment decisions the Company makes with respect to its loan and investment portfolios — this level is required to align with the Paris Agreement’s goal of maintaining global temperatures substantially below 2 degrees Celsius (the “Policy”), and (2) issue reports annually that each describe (a) targets, (b) plans, and (c) progress related to implementing the adopted Policy. Notably, the Paris Agreement’s 2-degree goal referenced in the Proposal expressly includes achieving “net zero” emissions in the second half of this century.¹ Thus, the Proposal also includes a time-bound, quantitative target in order to align with the 2 degree goal in the Policy.² Moreover, implementing the Proposal and thus requiring the

¹ See Article 4 of the Paris Agreement: “In order to [achieve Article 2], Parties aim to reach global peaking of greenhouse gas emissions as soon as possible, recognizing that peaking will take longer for developing country Parties, and to undertake rapid reductions thereafter in accordance with best available science, so as to achieve a balance between anthropogenic emissions by sources and removals by sinks of greenhouse gases in the second half of this century, on the basis of equity, and in the context of sustainable development and efforts to eradicate poverty.” (emphasis added), available at <https://unfccc.int/resource/docs/2015/cop21/eng/l09.pdf>.

² See Track 0, The 2015 Paris Agreement: “The long-term emissions reduction goal the Agreement expresses can be summarised as aiming for ‘net zero’ in the second half of this century as a way of keeping

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Company to align with this “net zero” requirement would directly dictate certain lending, financing and investment choices made by the Company. As applied to the Company, the Proposal thus addresses the complex, multifaceted issue of reducing GHG emissions within the Company’s loan and investment portfolios by imposing a specific quantitative standard to be achieved in a specific time-frame and requiring annual updates on the specific targets, plans, and progress towards meeting the relevant standard. As a result, the Company would be forced to continuously dedicate significant time, effort, and resources to satisfy these burdensome requirements without regard to the Company’s existing and complex policies and procedures (as discussed below). The Proposal thus falls squarely within the scope of the 1998 Release.

The Staff recently concurred that a similar shareholder proposal regarding a company’s lending, financing and investment decisions was excludable under Rule 14a-8(i)(7) because it sought to micro-manage the company. In *JPMorgan Chase & Co. (The Christensen Fund)* (avail. Mar. 30, 2018), the proposal requested the company to “prepare a report . . . by September 2018, on the reputational, financial and climate risks associated with project and corporate lending, underwriting, advising and investing for tar sands production and transportation.” The proposal requested that the report include assessments of: (1) the risk of portfolio devaluation due to stranding of high-cost tar sand assets; (2) whether the financing was consistent with the Paris Agreement’s goal of limiting global temperature increase to “well below 2 degrees Celsius”; (3) how the tar sands financing aligned with the company’s support for Indigenous People’s rights; and (4) the impact on risk from establishing a specific policy restricting financing for tar sands projects and companies. The Staff granted no-action relief, noting that “the [p]roposal micromanages the [c]ompany by seeking to impose specific methods for implementing complex policies.”

Like in *JPMorgan Chase*, the Proposal impermissibly seeks to restrict the Company’s decision-making regarding its loan and investment portfolios. Specifically, the Policy would require that the Company’s lending, financing and investment decisions regarding its loan and investment portfolios be materially driven by the objective of satisfying specific quantitative standards within a specific time-frame in accordance with the Paris Agreement’s goals. Thus, in order to achieve the Proposal’s prescriptive and arbitrary standards, the Proposal necessarily would restrict the Company from financing certain projects, just like the proposal in *JPMorgan Chase*, which sought to impose financing restrictions with respect to tar sands projects and companies. More generally, each of the Company’s decisions regarding the appropriate policies and practices to implement with respect to lending, financing and investment activities as they relate to the Company’s loan and investment portfolios requires a deep and thorough understanding of the Company’s business and

maximum global temperature rise well below 2°C/1.5°C,” available at <http://track0.org/why-net-zero/the-2015-paris-agreement>.

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operations—information to which the Company’s shareholders do not have access. Determining the appropriate policies and framework to approaching these decisions requires a complex analysis of various factors, including transaction types, customer activities, and an understanding of the risks specific to a client’s particular industry, among others (the Company’s relevant policies and framework—in particular those related to GHG emissions—are described in more detail below in Section C). The Company’s management focuses extensively on establishing these standards for making these types of decisions, which fall squarely into the day-to-day operations of lending, financing and investment decisions related to its loan and investment portfolios.

In other contexts related to the business operations of a company, the Staff has consistently agreed that shareholder proposals imposing specific time-frames on complex policies to achieve specific quantitative targets applicable to parts of a company’s business were excludable under Rule 14a-8(i)(7), even if the time-frames or quantitative targets were not expressly stated in the proposal, because they attempted to micro-manage the company. For example, in *Verizon Communications Inc.* (avail. Mar. 6, 2018), the Staff concurred with the exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company “prepare a report to shareholders that evaluates the feasibility of the Company achieving by 2030 ‘net-zero’ emissions of greenhouse gases from parts of the business directly owned and operated by the [c]ompany, as well as the feasibility of reducing other emissions associated with [c]ompany activities.”³ Moreover, in *EOG Resources, Inc.* (avail. Feb. 26, 2018 *recon. denied* Mar. 12, 2018), the Staff concurred with exclusion of a proposal requesting that the company “adopt company-wide, quantitative, time-bound targets for reducing greenhouse gas (GHG) emissions and issue a report, at reasonable cost and omitting proprietary information, discussing its plans and progress towards achieving these targets.” Despite the fact that the *EOG Resources* proposal did not specify a time-frame, the Staff stated that the proposal “micromanage[d] the [c]ompany by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.”

Here, the Proposal is considerably more prescriptive, and thus micro-manages to a greater extent, than the shareholder proposal in *EOG Resources* because: (1) the Proposal’s

³ See also *Amazon.com, Inc.* (avail. Mar. 6, 2018) (allowing for exclusion of a similar “net-zero” emissions proposal noting that the proposal sought to “micromanage the [c]ompany by probing too deeply into matters of a complex nature”); *PayPal Holdings, Inc.* (avail. Mar. 6, 2018) (same); *Deere & Co.* (avail. Dec. 27, 2017) (concurring with the exclusion of a similar proposal requesting that the company “prepare a report to shareholders by December 31, 2018 that evaluates the potential for the [c]ompany . . . to achiev[e] ‘net-zero’ emissions of greenhouse gases by a fixed future target date”); *Apple Inc. (Jantz)* (avail. Dec. 21, 2017) (concurring with the exclusion of a proposal requesting that the company “prepare a report to shareholders by December 31, 2019 that evaluates the potential for the [c]ompany to achieve, by a fixed date, ‘net-zero’ emissions of greenhouse gases by the [c]ompany and its major suppliers”).

Office of Chief Counsel
Division of Corporation Finance
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Page 7

resolved clause specifically references the Paris Agreement as the guide by which all “targets [and] plans” must be aligned, whereas the *EOG Resources* proposal did not specify any standard for the requested targets; and (2) the Proposal’s requirement for annual updates on “targets, plans, and progress” under the Policy would force the Company and management to constantly be constrained by the Policy in their decision-making regarding this highly complex issue.

Thus, the requested Policy would impose specific quantitative standards to be achieved within a specific time-frame (in order to align with the Paris Agreement), as well as require significant time and effort to annually report on the specific targets, plans, and progress towards meeting the relevant standard. For these reasons, we believe that the Proposal impermissibly seeks to micro-manage the Company’s existing and complex policies and procedures for making day-to-day lending, financing and investment decisions as they related to the Company’s loan and investment portfolios by substituting management’s judgment with that of the Company’s shareholders, who as a group, are not in a position to make an informed judgment in this regard.

C. The Proposal Involves Complex Operational And Business Decisions

The Company is a diversified, community-based financial services company and a global systemically important bank. At September 30, 2018, the Company ranked fourth in assets and third in market value of its common stock among all banks in the United States and provides banking, investments, and mortgage products and services, as well as consumer and commercial finance through more than 7,950 locations worldwide. Specifically, the Company engages in various businesses, such as wholesale banking, mortgage banking, consumer finance, equipment leasing, agricultural finance, commercial finance, securities brokerage and investment banking, trust services, investment advisory services, mortgage-backed securities servicing and venture capital investment. As such, the Company’s lending, financing and investment decisions with respect to its loan and investment portfolios are central to its ability to run the business on a day-to-day basis. The Company’s management invests a significant amount of time, energy and effort on a daily basis in determining how to best make lending, financing and investment decisions related to its loan and investment portfolios, which includes working to deliver long-term shareholder value. Management focuses extensively on establishing appropriate standards for making these decisions, including evaluating relevant risks to various sectors like GHG emissions from energy intensive industries, and discusses them regularly at meetings held by management and with the Corporate Responsibility Committee of the Board of Directors.

Specifically, with respect to the lending, financing and investment decisions relating to the types of risk raised by the Proposal, the Company relies on its Environmental and Social Risk Management Policy (the “ESRM Policy”), which describes the Company’s

Office of Chief Counsel
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Page 8

expectations and requirements for identifying and assessing environmental and social risks and impacts associated with its customers' activities. The Company administers the ESRM Policy – which applies “a consistent methodology to understanding, assessing, and considering environmental and social risks in [the Company's] decision-making” regarding the Company's transactions with its customers and follows the Company's approach to risk management – through its ESRM Framework.⁴ The Company is committed to understanding the environmental and social risks and impacts associated with the clients it serves. The Company identifies transaction types, customer activities, and cross-cutting issues with heightened risks that could present significant environmental and/or social impacts. In circumstances where the Company believes risks and impacts are material to the long-term success of companies in its portfolio, the Company performs client-, industry-, issue-, or transaction-specific environmental and social risk due diligence to evaluate a customer's commitment, capacity, and track record as they relate to ESRM.

The Company's ESRM team created a due diligence grid to provide a methodology for considering enhanced quantitative analysis involving environmental, social, and reputation risk, with each ESRM review also tailored to the activities and location of the customer. This ESRM grid includes standard ESRM due diligence that assesses all relevant environmental and social issues specific to an industry, with certain triggers that prompt additional due diligence (an example of such trigger includes the impacts on tribal land or on the livelihood of Indigenous Peoples). After ESRM due diligence is completed, the Company assigns an overall Environmental and Social Risk Rating (“ESRR”) to each client under review. Clients that receive a high ESRR rating will be escalated to senior management for discussion and determination.

Given the size and scope of the Company's global loan and investment portfolios, implementation of the Proposal would require replacing management's judgments on complex operational and business decisions, including with respect to the thorough, carefully vetted and expansive procedures and guidelines set forth in the ESRM Policy and ESRM Framework described above, with those selected by the Proponents, and also impose recurring annual evaluations on the progress of the various “targets” and “plans” required by the Proposal, both of which would interfere with management's ability to operate the Company's business. The Proposal would require the Company to undertake additional analyses that would be expensive and complex in light of the size, scope, and global nature of the Company's loan and investment portfolios. Moreover, recurring annual evaluations on the progress of the various “targets” and “plans” required by the Policy would require significant effort from the Company.

⁴ See ESRM Framework, available at <https://www08.wellsfargomedia.com/assets/pdf/about/corporate-responsibility/esrm-framework.pdf>.

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December 22, 2018
Page 9

D. The Company Has Already Made Complex Business Decisions That Prioritize Certain Environmental Strategies

With the ongoing industrial transition to cleaner sources of energy, the Company intends to continue to support its customers in the energy and power industries as they work to embrace changing market dynamics. The Company committed to doing its part to accelerate the transition to a low carbon economy and help reduce the impacts of climate change on its customers and communities. Moreover, the Company has already carefully evaluated how best to address sustainability concerns, including those related to GHG emissions, with respect to its lending, financing and investment decisions regarding its loan and investment portfolios. The Company has focused on meaningful initiatives to reduce its environmental impact that the Company believes has a positive impact on its lending, financing and investment decisions, as well as being good for the environment and communities. For example, as part of its commitment to environmental sustainability, the Company has released a statement recognizing the growing concerns related to climate change (the “Climate Change Statement”).⁵ In the Climate Change Statement, the Company committed to continually assess risks in its loan portfolios, which includes modeling the effect of carbon prices on power and utility industry customers. In 2016, the Company began implementing an industry-leading modular carbon risk tool⁶ for all regulated corporate utility borrowers engaged in the production, generation, transmission, and distribution of electricity, and the transmission and distribution of natural gas. The robust carbon tool accounts for general portfolio emissions, percentage of coal generation, and risk factors such as state-level demand risk, social cost of carbon, governance, and multi-level regulatory risks.

The Company has also provided resources in support of a lower-carbon economy and specifically sought to finance and support businesses that are developing solutions to mitigate the impacts of climate change. For example, since 2012, the Company has invested and financed more than \$83 billion in renewable energy, clean technology, “greener” buildings, sustainable agriculture, and other environmentally sustainable businesses, with over \$6 billion invested through tax equity in wind and solar projects.

Moreover, the Company has chosen to support nonprofits, universities, and other organizations focused on community-based environmental projects and innovative clean technologies and entrepreneurship. For example, in 2017, the Company donated \$22.5 million to nonprofits that support clean technology, environmental education, and strengthening community resiliency, and it has donated more than \$91 million since 2012. In

⁵ See Climate Change Statement, available at <https://www.wellsfargo.com/about/corporate-responsibility/environment/climate-change-statement>

⁶ See ESRM Report for more details, available at <https://www08.wellsfargomedia.com/assets/pdf/about/corporate-responsibility/esrm-report.pdf>.

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Division of Corporation Finance
December 22, 2018
Page 10

addition, the Company announced on April 19, 2018 that it would provide \$200 billion in financing to sustainable businesses and projects by 2030, with over 50% financing “focused on companies and projects that directly support the transition to a low-carbon economy, including clean technologies, renewable energy, green bonds, and alternative transportation,” with the remainder of the \$200 billion earmarked to support companies and projects focused on sustainable agriculture, recycling, conservation, and other environmentally beneficial activities.⁷

The Company’s determination on how best to approach sustainability issues, including GHG emissions, with respect to its lending, financing and investment decisions related to its loan and investment portfolios, including via the ESRM Framework and processes and procedures described above, involved complex considerations of a variety of factors, including a myriad of environmental regulations in the various jurisdictions in which companies within the Company’s loan and investment portfolios operate, evolving technologies, rapidly developing scientific advancements, industry-accepted standards for preparing GHG emissions inventories and accounting for and reporting GHG emissions and local, and in some cases, volatile energy markets. Because the Proposal seeks to delve too deeply into these complex determinations by asking shareholders to vote on a policy that would impact the goals, deadlines and factors taken into account that have already been established by the Company, the Proposal seeks to micro-manage the Company’s business.

E. Regardless Of Whether The Proposal Touches Upon A Significant Policy Issue, The Proposal Is Excludable Under Rule 14a-8(i)(7) Because It Seeks To Micro-Manage The Company

As discussed in the “Background” section above, a shareholder proposal may nevertheless be excluded under Rule 14a-8(i)(7) if it seeks to micro-manage a company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment, even if the proposal touches on a significant policy issue. For example, in *JPMorgan Chase*, the Staff concurred with the exclusion of a shareholder proposal that addressed climate change because the proposal intruded on lending decisions made as part of management’s day-to-day determinations on financing practices. Here, even though the Proposal concerns the related issue of GHG emissions, the Proposal similarly intrudes in a prescriptive manner on the Company’s processes and procedures regarding how the Company evaluates lending, financing and investment decisions related to its loan and investment portfolios. As discussed above, these are complex matters on which shareholders, as a group, would not be in a position to make an informed judgment. Thus, as with the proposal in *JPMorgan Chase*, even if the Proposal

⁷ See Wells Fargo Commits \$200 Billion Towards Sustainable Financing, available at <https://stories.wf.com/wells-fargo-commits-200-billion-toward-sustainable-financing>.

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Division of Corporation Finance
December 22, 2018
Page 11

touches on a significant policy issue, the Proposal is properly excludable under Rule 14a-8(i)(7).

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its 2019 Proxy Materials.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8287 or Mary E. Schaffner, Senior Vice President and Senior Company Counsel, at (612) 667-2367.

Sincerely,



Elizabeth A. Ising

Enclosures

cc: Mary E. Schaffner, Senior Vice President and Senior Company Counsel
Willie J. White, Vice President and Senior Counsel
Danielle Fugere, As You Sow

EXHIBIT A



AS YOU SOW

1611 Telegraph Ave, Suite 1450
Oakland, CA 94612

www.asyousow.org

BUILDING A SAFE, JUST, AND SUSTAINABLE WORLD SINCE 1992

November 14, 2018

John G. Stumpf
Chief Executive Officer
Wells Fargo & Company
420 Montgomery Street
San Francisco, CA 94104

Dear Mr. Stumpf:

As You Sow is filing a shareholder proposal on behalf of The Shared Earth Foundation ("Proponent"), a shareholder of Wells Fargo & Company, for action at the next annual meeting of Wells Fargo. Proponent submits the enclosed shareholder proposal for inclusion in Wells Fargo's 2019 proxy statement, for consideration by shareholders, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934.

A letter from the Proponent authorizing *As You Sow* to act on its behalf is enclosed. A representative of the Proponent will attend the stockholders' meeting to move the resolution as required.

We are available to discuss this issue and are optimistic that such discussion could result in resolution of the Proponent's concerns. To schedule a dialogue, please contact Danielle Fugere, President at DFugere@asyousow.org.

Sincerely,

Danielle Fugere
President

Enclosures

- Shareholder Proposal
- Shareholder Authorization

REDUCING CLIMATE IMPACT

Resolved: Shareholders request that Wells Fargo adopt a policy for reducing the greenhouse gas emissions resulting from its loan and investment portfolios to align with the Paris Agreement's goal of maintaining global temperatures substantially below 2 degrees Celsius, and issue annual reports (at reasonable cost, omitting proprietary information) describing targets, plans, and progress under this policy.

Supporting Statement: Shareholders recommend the report include, among other issues at board and management discretion, discussion of opportunities to expeditiously reduce the portfolio's greenhouse gas (GHG) emissions by avoiding investments in high carbon, high risk fossil fuel projects such as coal, Arctic oil and gas, and tar sands.

Whereas: Banks with financial ties to carbon intensive fossil fuel investments face reputational damage, boycotts, divestment, and litigation that adversely affects shareholder value. Wells Fargo lost billions in deposits and banking business and suffered extensive reputational damage from its support of the Dakota Access Pipeline and other similarly controversial projects.

The Intergovernmental Panel on Climate Change recently released a report finding that "rapid, far-reaching" changes are necessary in the next decade to avoid disastrous levels of global warming; net emissions of carbon dioxide must fall 45 percent by 2030, reaching "net zero" by 2050.

Banks' financing choices have a major role to play in promoting these goals. Bank lending and investments make up a significant source of external capital for carbon intensive industries. Every dollar banks invest in new fossil fuel infrastructure slows the transition to a clean energy economy.

Peer banks have adopted policies reducing carbon in their loan and investment portfolios, including reducing or avoiding investments in extreme fossil fuels. ING adopted a methodology to measure the carbon content of its portfolio and decrease the climate impact of its loans.¹ BNP Paribas and Natixis' policies phase out business with companies tied to Arctic drilling, oil sands, shale development, and coal energy.² The World Bank committed to end upstream oil and gas financing. Over a dozen banks adopted policies to end or substantially reduce financing for Arctic oil and/ or tar sands projects.³

In contrast, **Wells Fargo has increased investments in the dirtiest fuels** in each of the past three years.⁴ Between 2015 and 2017, Wells poured \$4.6 billion into financing of extreme fossil fuels like tar sands, Arctic oil, and coal.

Despite Wells' broad climate statements, it has not adopted targets, goals, or clear measures to reduce its investments in, or loans to, carbon intensive projects and companies. It joined the "Carbon Principles," but a recent report found no evidence that adoption of the Principles leads to limiting

¹ <https://www.eco-business.com/press-releases/ing-reveals-2c-scenario-analysis-method-for-corporate-lending-portfolios/>

² <https://www.upi.com/BNP-Paribas-says-it-will-no-longer-back-oil/4921507715402/>

³ https://www.banktrack.org/campaign/banks_that_ended_direct_finance_for_arctic_oil_and_gas_projects

⁴ http://www.ran.org/wp-content/uploads/rainforestactionnetwork/pages/19540/attachments/original/1525099181/Banking_on_Climate_Change_2018_vWEB.pdf?1525099181, p.6.

financing of carbon intensive projects.⁵ Wells' Enterprise Security Risk Management program considers client-based climate risk but does not require carbon reductions. Wells' participation in other Advisory and stakeholder groups, including the Portfolio Carbon Initiative, does not require and has not resulted in significant reductions of Wells' fossil fuel investments and loans. In fact, the opposite has occurred.

⁵ https://www.banktrack.org/news/new_report_finds_bank_carbon_principles_did_not_curb_financing_of_coal

10/30/2018

Andrew Behar

CEO

As You Sow Foundation

1611 Telegraph Ave., Ste. 1450

Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

As of the date of this letter, the undersigned authorizes As You Sow (AYS) file, cofile, or endorse the shareholder resolution identified below on Stockholder's behalf with the identified company, and that it be included in the proxy statement as specified below, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

The Stockholder: The Shar Earth Foundation (S)

Company: IIs Fargo & Company

Annual Meeting/Proxy Statement Year: 2019

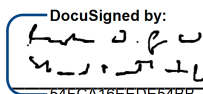
Resolution: R port on Climat Asset Transition

Background information re: AYS Campaign: <https://www.asyousow.org/our-work/energy/climat> hang

The Stockholder has continuously owned over \$2,000 worth of company stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the company's annual meeting in 2019 .

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

DocuSigned by:

54FCAT6EEDE54BB...

The Shar Earth Foundation (Client)



AS YOU SOW

1611 Telegraph Ave, Suite 1450
Oakland, CA 94612

www.asyousow.org

BUILDING A SAFE, JUST, AND SUSTAINABLE WORLD SINCE 1992

November 14, 2018

John G. Stumpf
Chief Executive Officer
Wells Fargo & Company
420 Montgomery Street
San Francisco, CA 94104

Dear Mr. Stumpf:

As You Sow is co-filing a shareholder proposal on behalf of the following Wells Fargo & Company shareholders for action at the next annual meeting of Wells Fargo:

- Andrew P. Dobson
- Brian Patrick Kariger Revocable Trust
- Edwards Mother Earth Foundation
- K.F.P. A California Limited Partnership
- Peter E. Spalding Trust
- Samajak LP
- Shallat Chemel Trust of 1994
- The Gun Denhart Living Trust
- The Nicola Miner Revocable Trust

The Proponent has submitted the enclosed shareholder proposal for inclusion in the 2019 proxy statement, for consideration by shareholders, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934.

Please note that *As You Sow* also represents the lead filer of this proposal, The Shared Earth Foundation.

Letters authorizing *As You Sow* to act on co-filers' behalf are enclosed. A representative of the lead filer will attend the stockholders' meeting to move the resolution as required.

Sincerely,

Danielle Fugere
President

Enclosures

- Shareholder Proposal
- Shareholder Authorizations

REDUCING CLIMATE IMPACT

Resolved: Shareholders request that Wells Fargo adopt a policy for reducing the greenhouse gas emissions resulting from its loan and investment portfolios to align with the Paris Agreement's goal of maintaining global temperatures substantially below 2 degrees Celsius, and issue annual reports (at reasonable cost, omitting proprietary information) describing targets, plans, and progress under this policy.

Supporting Statement: Shareholders recommend the report include, among other issues at board and management discretion, discussion of opportunities to expeditiously reduce the portfolio's greenhouse gas (GHG) emissions by avoiding investments in high carbon, high risk fossil fuel projects such as coal, Arctic oil and gas, and tar sands.

Whereas: Banks with financial ties to carbon intensive fossil fuel investments face reputational damage, boycotts, divestment, and litigation that adversely affects shareholder value. Wells Fargo lost billions in deposits and banking business and suffered extensive reputational damage from its support of the Dakota Access Pipeline and other similarly controversial projects.

The Intergovernmental Panel on Climate Change recently released a report finding that "rapid, far-reaching" changes are necessary in the next decade to avoid disastrous levels of global warming; net emissions of carbon dioxide must fall 45 percent by 2030, reaching "net zero" by 2050.

Banks' financing choices have a major role to play in promoting these goals. Bank lending and investments make up a significant source of external capital for carbon intensive industries. Every dollar banks invest in new fossil fuel infrastructure slows the transition to a clean energy economy.

Peer banks have adopted policies reducing carbon in their loan and investment portfolios, including reducing or avoiding investments in extreme fossil fuels. ING adopted a methodology to measure the carbon content of its portfolio and decrease the climate impact of its loans.¹ BNP Paribas and Natixis' policies phase out business with companies tied to Arctic drilling, oil sands, shale development, and coal energy.² The World Bank committed to end upstream oil and gas financing. Over a dozen banks adopted policies to end or substantially reduce financing for Arctic oil and/ or tar sands projects.³

In contrast, **Wells Fargo has increased investments in the dirtiest fuels** in each of the past three years.⁴ Between 2015 and 2017, Wells poured \$4.6 billion into financing of extreme fossil fuels like tar sands, Arctic oil, and coal.

Despite Wells' broad climate statements, it has not adopted targets, goals, or clear measures to reduce its investments in, or loans to, carbon intensive projects and companies. It joined the "Carbon Principles," but a recent report found no evidence that adoption of the Principles leads to limiting

¹ <https://www.eco-business.com/press-releases/ing-reveals-2c-scenario-analysis-method-for-corporate-lending-portfolios/>

² <https://www.upi.com/BNP-Paribas-says-it-will-no-longer-back-oil/4921507715402/>

³ https://www.banktrack.org/campaign/banks_that_ended_direct_finance_for_arctic_oil_andor_gas_projects

⁴ http://www.ran.org/wp-content/uploads/rainforestactionnetwork/pages/19540/attachments/original/1525099181/Banking_on_Climate_Change_2018_vWEB.pdf?1525099181, p.6.

financing of carbon intensive projects.⁵ Wells' Enterprise Security Risk Management program considers client-based climate risk but does not require carbon reductions. Wells' participation in other Advisory and stakeholder groups, including the Portfolio Carbon Initiative, does not require and has not resulted in significant reductions of Wells' fossil fuel investments and loans. In fact, the opposite has occurred.

⁵ https://www.banktrack.org/news/new_report_finds_bank_carbon_principles_did_not_curb_financing_of_coal

10/22/2018

Andrew Behar

CEO

As You Sow Foundation

1611 Telegraph Ave., Ste. 1450

Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

As of the date of this letter, the undersigned authorizes As You Sow (AYS) file, cofile, or endorse the shareholder resolution identified below on Stockholder's behalf with the identified company, and that it be included in the proxy statement as specified below, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

The Stockholder: Brian Patrick Ariger, Sr. (S)

Company: Wells Fargo & Company

Annual Meeting/Proxy Statement Year: 2019

Resolution: Report on Climate Asset Transition

Background information re: AYS Campaign: <https://www.asyousow.org/our-work/energy/climate-change>

The Stockholder has continuously owned over \$2,000 worth of company stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the company's annual meeting in 2019 .

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

DocuSigned by:



158C255CC4FC4F0...

B I A A I G E R

10/29/2018

Andrew Behar

CEO

As You Sow Foundation

1611 Telegraph Ave., Ste. 1450

Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

As of the date of this letter, the undersigned authorizes As You Sow (AYS) file, cofile, or endorse the shareholder resolution identified below on Stockholder's behalf with the identified company, and that it be included in the proxy statement as specified below, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

The Stockholder: Peter E Spalding Trust (S)

Company: Wells Fargo & Company

Annual Meeting/Proxy Statement Year: 2019

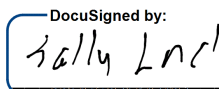
Resolution: Report on Climate Asset Transition

Background information re: AYS Campaign: <https://www.asyousow.org/our-work/energy/climate-change>

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Sincerely,

DocuSigned by:

3384DB9FA04F40E...
Sally Spalding Lord

Andrew Behar
CEO
As You Sow
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612

Re: Authorization to File Shareholder Resolution


Dear Andrew Behar,

The undersigned (the "Stockholder") authorizes As You Sow to file or cofile a shareholder resolution on Stockholder's behalf with Wells Fargo & Company (the "Company"), relating to reporting on climate asset transition, and that it be included in the Company's 2019 proxy statement, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

The Stockholder has continuously owned over \$2,000 worth of Company stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the company's annual meeting in 2019.

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Sincerely,

DocuSigned by:

BB837F737EB74ED...

Tara Reinertson
President
Edwards Mother Earth Foundation



AS YOU SOW

29 October 2018

Andrew Behar
CEO
As You Sow
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

The undersigned (the "Stockholder") authorizes As You Sow to file or cofile a shareholder resolution on Stockholder's behalf with Wells Fargo & Company (the "Company"), relating to reporting on climate asset transition, and that it be included in the Company's 2019 proxy statement, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

The Stockholder has continuously owned over \$2,000 worth of Company stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the company's annual meeting in 2019.

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

Andrew P. Dobson, D.Phil

11/3/2018

Andrew Behar
CEO
As You Sow
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

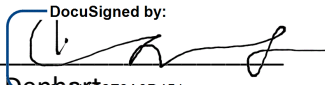
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The undersigned (the "Stockholder") authorizes As You Sow to file or cofile a shareholder resolution on Stockholder's behalf with Wells Fargo & Company (the "Company"), relating to reporting on climate asset transition, and that it be included in the Company's 2019 proxy statement, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

The Stockholder has continuously owned over \$2,000 worth of Company stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the company's annual meeting in 2019.

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

DocuSigned by:

Gun Denhart
Trustee
The Gun Denhart Living Trust

October 19, 2018

Andrew Behar
CEO
As You Sow
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

The undersigned Stockholder authorizes As You Sow to file or co-file a shareholder resolution on the Stockholder's behalf with below mentioned Company, and that it be included in below mentioned Company's 2019 proxy statement as specified below, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

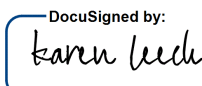
Stockholder: K.F.P. A California Limited Partnership
Company: Wells Fargo & Company
Resolution Request: Report on Climate Asset Transition

The Stockholder has continuously owned over \$2,000 worth of stock of the above mentioned Company, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the Company's annual meeting in 2019.

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder.

The Stockholder understands that the Stockholder's name may appear on the Company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

DocuSigned by:

A4E08301457E4E8...
Karen Leech

Special Power of Attorney
K.F.P. A California Limited Partnership

October 29, 2018

Andrew Behar
CEO
As You Sow
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

The undersigned Stockholder authorizes As You Sow to file or co-file a shareholder resolution on the Stockholder's behalf with below mentioned Company, and that it be included in below mentioned Company's 2019 proxy statement as specified below, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

Stockholder: The Nicola Miner revocable Trust DTD 02/19/1999

Company: Wells Fargo & Company

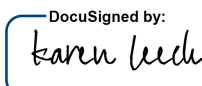
Resolution Request: report on Climate Asset Transition

The Stockholder has continuously owned over \$2,000 worth of stock of the above mentioned Company, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the Company's annual meeting in 2019.

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder.

The Stockholder understands that the Stockholder's name may appear on the Company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

DocuSigned by:

A4E08301457E4E8...
Karen Leech

Special Power of Attorney

The Nicola Miner revocable Trust DTD 02/19/1999

October 19, 2018

Andrew Behar
CEO
As You Sow
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

The undersigned Stockholder authorizes As You Sow to file or co-file a shareholder resolution on the Stockholder's behalf with below mentioned Company, and that it be included in below mentioned Company's 2019 proxy statement as specified below, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

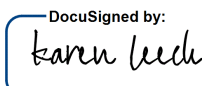
Stockholder: Samajak, LP
Company: ells Fargo & Company
Resolution Request: eport on Climate Asset Transition

The Stockholder has continuously owned over \$2,000 worth of stock of the above mentioned Company, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the Company's annual meeting in 2019.

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder.

The Stockholder understands that the Stockholder's name may appear on the Company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

DocuSigned by:

A4E08301457E4E8...
Karen Leech

Special Power of Attorney
Samajak, LP

October 15, 2018

Andrew Behar
CEO
As You Sow
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

The undersigned Stockholder authorizes As You Sow to file or co-file a shareholder resolution on the Stockholder's behalf with below mentioned Company, and that it be included in below mentioned Company's 2019 proxy statement as specified below, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

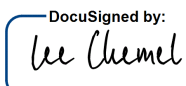
Stockholder: The Shallat Chemel Trust of 1994
Company: Wells Fargo & Co
Resolution Request: Report on climate asset transition

The Stockholder has continuously owned over \$2,000 worth of stock of the above mentioned Company, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the Company's annual meeting in 2019.

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder.

The Stockholder understands that the Stockholder's name may appear on the Company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

DocuSigned by:

A8A1C6B6GE204A8...
Lee Chemel

Trustee
The Shallat Chemel Trust of 1994

From: Willie.J.White@wellsfargo.com
To: DFugere@asyousow.org
Cc: Mary.E.Schaffner@wellsfargo.com; mindy.ohayre@wellsfargo.com
Subject: Wells Fargo & Company - Shareholder Proposal Received on Nov. 14, 2018 - Notice of Deficiency
Attachments: [WFC - Shareholder Proposal Received on Nov. 14, 2018 - As You Sow - Notice of Deficiency.pdf](#)

Ms. Fugere:

This email and attached notice of deficiency letter will confirm that Wells Fargo & Company received the shareholder proposal As You Sow, on behalf of The Shared Earth Foundation, Andrew P. Dobson, Brian Patrick Kariger Revocable Trust, Edwards Mother Earth Foundation, K.F.P.A California Limited Partnership, Peter E. Spalding Trust, Samajak, LP, Shallat Chemel Trust of 1994, The Gun Denhart Living Trust, and The Nicola Miner Revocable Trust, submitted by email to the Corporate Secretary on November 14, 2018, and also brings to your attention per SEC rules the procedural deficiencies in your submission and the required timing for your response. An additional copy of this letter is being sent to you via overnight courier. Please feel free to contact me if you have any questions.

Best,

Willie

Willie J. White

Senior Counsel

Wells Fargo & Company

Wells Fargo Legal Department | 301 S. College St., 22nd Floor | Charlotte, NC 28202

MAC D1053-300

Phone: (704) 410-5082

Fax: (877) 572-7039

Email: Willie.J.White@wellsfargo.com



Law Department
MAC 1053-300
One Wells Fargo Center
301 South College Street
Charlotte, NC 28202

Tel: 704 374 6611

November 20, 2018

VIA OVERNIGHT MAIL AND EMAIL

Danielle Fugere
As You Sow Foundation
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612
DFugere@asyousow.org

Dear Ms. Fugere:

I am writing on behalf of Wells Fargo & Company (the "Company"), which received on November 14, 2018, the shareholder proposal you submitted on behalf of The Shared Earth Foundation, Andrew P. Dobson, Brian Patrick Kariger Revocable Trust, Edwards Mother Earth Foundation, K.F.P.A California Limited Partnership, Peter E. Spalding Trust, Samajak, LP, Shallat Chemel Trust of 1994, The Gun Denhart Living Trust, and The Nicola Miner Revocable Trust (each a "Proponent" and, collectively, the "Proponents") entitled "Reducing Climate Impact" pursuant to Securities and Exchange Commission ("SEC") Rule 14a-8 for inclusion in the proxy statement for the Company's 2019 Annual Meeting of Shareholders (the "Proposal").

The Proposal contains certain procedural deficiencies, which SEC regulations require us to bring to your attention. Rule 14a-8(b) under the Securities Exchange Act of 1934, as amended, provides that shareholder proponents must submit sufficient proof of their continuous ownership of at least \$2,000 in market value, or 1%, of a company's shares entitled to vote on the proposal for at least one year as of the date the shareholder proposal was submitted. The Company's stock records do not indicate that the Proponents are the record owners of sufficient shares to satisfy this requirement. In addition, to date we have not received proof that the Proponents have satisfied Rule 14a-8's ownership requirements as of the date that the Proposal was submitted to the Company.

To remedy this defect, each Proponent must submit sufficient proof of the Proponent's continuous ownership of the required number or amount of Company shares for the one-year period preceding and including November 14, 2018, the date the Proposal was submitted to the Company. As explained in Rule 14a-8(b) and in SEC staff guidance, sufficient proof must be in the form of:

(1) a written statement from the "record" holder of the Proponent's shares (usually a broker or a bank) verifying that the Proponent continuously held the required number or amount of Company shares for the one-year period preceding and including November 14, 2018; or

(2) if the Proponent has filed with the SEC a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5, or amendments to those documents or updated forms, reflecting the Proponent's ownership of the required number or amount of Company shares as of or before the date on which the one-year eligibility period begins, a copy of the schedule

Together we'll go far



and/or form, and any subsequent amendments reporting a change in the ownership level and a written statement that the Proponent continuously held the required number or amount of Company shares for the one-year period.

If any Proponent intends to demonstrate ownership by submitting a written statement from the "record" holder of the Proponent's shares as set forth in (1) above, please note that most large U.S. brokers and banks deposit their customers' securities with, and hold those securities through, the Depository Trust Company ("DTC"), a registered clearing agency that acts as a securities depository (DTC is also known through the account name of Cede & Co.). Under SEC Staff Legal Bulletin No. 14F, only DTC participants are viewed as record holders of securities that are deposited at DTC. You can confirm whether the Proponent's broker or bank is a DTC participant by asking the Proponent's broker or bank or by checking DTC's participant list, which is available at <http://www.dtcc.com/~media/Files/Downloads/client-center/DTC/alpha.ashx>. In these situations, shareholders need to obtain proof of ownership from the DTC participant through which the securities are held, as follows:

- (1) If the Proponent's broker or bank is a DTC participant, then the Proponent needs to submit a written statement from the Proponent's broker or bank verifying that the Proponent continuously held the required number or amount of Company shares for the one-year period preceding and including November 14, 2018.
- (2) If the Proponent's broker or bank is not a DTC participant, then the Proponent needs to submit proof of ownership from the DTC participant through which the shares are held verifying that the Proponent continuously held the required number or amount of Company shares for the one-year period preceding and including November 14, 2018. You should be able to find out the identity of the DTC participant by asking the Proponent's broker or bank. If the Proponent's broker is an introducing broker, you may also be able to learn the identity and telephone number of the DTC participant through the Proponent's account statements, because the clearing broker identified on the account statements will generally be a DTC participant. If the DTC participant that holds the Proponent's shares is not able to confirm the Proponent's individual holdings but is able to confirm the holdings of the Proponent's broker or bank, then the Proponent needs to satisfy the proof of ownership requirements by obtaining and submitting two proof of ownership statements verifying that, for the one-year period preceding and including November 14, 2018, the required number or amount of Company shares were continuously held: (i) one from the Proponent's broker or bank confirming the Proponent's ownership, and (ii) the other from the DTC participant confirming the broker or bank's ownership.

The SEC's rules require that any response to this letter be postmarked or transmitted electronically no later than 14 calendar days from the date you receive this letter. Please address any response to me at 301 South College Street, 22nd Floor, MAC D1053-300, Charlotte, NC

Danielle Fugere
November 20, 2018
Page 3

28202. Alternatively, you may transmit any response by facsimile to me at (877) 572-7039 or by email at willie.j.white@wellsfargo.com.

If you have any questions with respect to the foregoing, please contact me at (704) 410-5082, or you may contact Mary E. Schaffner, my colleague in the Wells Fargo Legal Department, at (612) 667-2367. For your reference, I enclose a copy of Rule 14a-8 and Staff Legal Bulletin No. 14F.

Sincerely,

A handwritten signature in black ink, appearing to read "Willie J. White". The signature is fluid and cursive, with the first name "Willie" being more prominent.

Willie J. White
Vice President and
Senior Counsel

cc: Mary E. Schaffner, Senior Vice President and Senior Company Counsel

Enclosures

From: Kwan Hong Teoh <Kwan@asyousow.org<<mailto:Kwan@asyousow.org>>>
Date: Monday, Dec 03, 2018, 4:56 PM
To: White, Willie J. <Willie.J.White@wellsfargo.com<<mailto:Willie.J.White@wellsfargo.com>>>
Cc: Danielle Fugere <DFugere@asyousow.org<<mailto:DFugere@asyousow.org>>>
Subject: WFC - Shareholder Proposal

Dear Mr. White,

We are in receipt of your letter issued November 20, 2018 alleging notice of a deficiency in our November 14, 2018 letter transmitting a proposal for inclusion on the Company's 2019 proxy. In response to the cited deficiency, we enclose a proof of ownership letter establishing the proponent's ownership of the Company's common stock in the requisite amount and in the time frame necessary to meet eligibility requirements.

SEC Rule 14a-8(f) requires a company to provide notice of specific deficiencies in a shareholder's proof of eligibility to submit a proposal. We therefore request that you notify us if you identify any deficiencies in the enclosed documentation.

Please confirm receipt of this correspondence.

Sincerely,
Kwan Hong

Kwan Hong Teoh
Environmental Health Program
Research Manager
As You Sow
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612
(510) 735-8147 (direct line) | (605) 651-5517 (cell)
kwan@asyousow.org<<mailto:kwan@asyousow.org>> | www.asyousow.org<<http://www.asyousow.org>>

~Building a Safe, Just and Sustainable World since 1992~

November 21, 2018

THE SHARED EARTH FOUNDATION
ATTN: CAROLINE GABEL
113 HOFFMAN LN
CESTERTOWN, MD 21620-1913

Dear Ms. Gabel:

I am writing to confirm two securities held in your Fidelity Investments brokerage account.

Fidelity Investments, a DTC participant, acts as the custodian for The Shared Earth Foundation. As of the date of this letter, Caroline Gabel (Authorized Individual on behalf of The Shared Earth Foundation) held, and has held continuously for at least 13 months, 5 shares of Amazon.com Inc. (CUSIP 023135106, Symbol AMZN), and 108 shares of Wells Fargo Co. New Com (CUSIP 949746101, Symbol WFC).

I hope this information is helpful. If you have any questions regarding this matter, please contact Veris Wealth Partners, LLC at (212) 349-4172.

Sincerely,



Thomas M. Gillet
Client Service Manager

Our file: W073426-20NOV18



Advisor Services

Advisor Family Office
P.O. Box 628290
Orlando, FL 62829

November 27, 2018

Edwards Mother Earth Foundation
1501 E Madison St Suite 650
Seattle WA 98122

Re: Account ***

We are writing to confirm information about the account number listed above, which Charles Schwab & Co., Inc. holds as custodian. This account holds the following:

- 1,473 shares of Pepsico, Inc. symbol PEP
- 1,446 shares Wells Fargo BK N A, symbol WFC

These shares have been held in the account continuously for at least 395 days (13 months) prior to and including November 27, 2018.

These shares are held at Depository Trust Company under the nominee name of Charles Schwab & Co., Inc., which serves as custodian for the registration listed above.

Thank you for choosing Schwab. We appreciate your business and look forward to serving you in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "TPutz", written over a light blue horizontal line.

Thomas Putz
Service Relationship Manager
Advisor Family Office
2423 E Lincoln Drive
Phoenix, AZ 85016



November 29, 2018

Andrew Dobson

Account #: *****

Questions: +1 (877) 594-2578

x70478

Account information requested.

Dear Andrew Dobson,

I'm writing in regards to your request for confirmation of ownership of Wells Fargo BK N A (CUSIP 949746101) in the above referenced account.

As of the writing of this letter, you hold 100 shares of Wells Fargo BK N A. You have held 100 shares of Wells Fargo BK N A in the account since July 5, 2016.

Please note: This letter is for informational purposes only and is not an official record of the account.

Thank you for choosing Schwab. We appreciate your business and look forward to serving you in the future. If you have any questions, please call me or any Client Service Specialist at +1 (877) 594-2578 x70478.

Sincerely,

Elizabeth Wolk

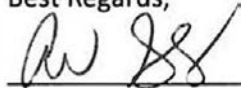
Elizabeth Wolk
Specialist, Resolution Team
8332 Woodfield Crossing Blvd
Indianapolis, IN 46240-2482

November, 27 2018

Gun Denhart:

National Financial Services, a DTC participant, acts as the custodian for The Gun Denhart Living Trust. As of the date of this letter, The Gun Denhart Living Trust held, and has held continuously for at least 395 days, 34 shares of Wells Fargo & Company common stock.

Best Regards,

A handwritten signature in black ink, appearing to read "AS", followed by a horizontal line.

Allen Servais
Client Service Manager
Fidelity Family Office



November 30, 2018

K.F.P. A California Limited Partnership
P.O. Box 1247
Sonoma, CA 95476

Account number ending in:

***** ***

Questions: Contact your advisor or
call Schwab Alliance at
1-800-515-2157.e

Important Information regarding shares in your account.

Dear Margaret Kaplan,

We're writing to confirm information about the account listed above, which Charles Schwab & Co., Inc. holds as custodian. This account holds in trust 133 shares of Wells Fargo WFC common stock. These shares have been held in the account continuously for at least one year prior to and including November 14, 2018.

These shares are held at Depository Trust Company under the nominee name of Charles Schwab & Co., Inc., which serves as custodian for the registration listed above.

Thank you for choosing Schwab. If you have questions, please contact your advisor or Schwab Alliance at 1-800-515-2157. We appreciate your business and look forward to serving you in the future.e

Sincerely,

Jason Almquist
Sr. Specialist, Institutional
IST/STAR PHOENIX SERVICE
2423 E Lincoln Dr
Phoenix, AZ 85050

Independent investment advisors are not owned by, affiliated with, or supervised by Charles Schwab & Co., Inc. ("Schwab").



November 30, 2018

NICOLA MINER REVOCABLE TRUST

Account number ending in:

-**-*

Questions: Contact your advisor or
call Schwab Alliance at
1-800-515-2157.

Important information regarding shares in your account.

Dear Nicola Miner,

We're writing to confirm information about the account listed above, which Charles Schwab & Co., Inc. holds as custodian. This account holds in trust 908 shares of Wells Fargo WFC common stock. These shares have been held in the account continuously for at least one year prior to and including November 14, 2018.

These shares are held at Depository Trust Company under the nominee name of Charles Schwab & Co., Inc., which serves as custodian for the registration listed above.

Thank you for choosing Schwab. If you have questions, please contact your advisor or Schwab Alliance at 1-800-515-2157. We appreciate your business and look forward to serving you in the future.

Sincerely,

Jason Almauist
Sr. Specialist, Institutional
IST/STAR PHOENIX SERVICE
2423 E Lincoln Dr
Phoenix, AZ 85050

Independent investment advisors are not owned by, affiliated with, or supervised by Charles Schwab & Co., Inc. ("Schwab").



November 30, 2018

SAMAJAK, LP
P.O. Box 1247
Sonoma, CA 95476

Account number ending in:

*****-***

Questions: Contact your advisor or
call Schwab Alliance at
1-800-515-2157.e

Important information regarding shares in your account.

Dear Margaret Kaplan and Mejak Llc,

We're writing to confirm information about the account listed above, which Charles Schwab & Co., Inc. holds as custodian. This account holds in trust 2,059 shares of Wells Fargo WFC common stock. These shares have been held in the account continuously for at least one year prior to and including November 14, 2018.

These shares are held at Depository Trust Company under the nominee name of Charles Schwab & Co., Inc., which serves as custodian for the registration listed above.

Thank you for choosing Schwab. If you have questions, please contact your advisor or Schwab Alliance at 1-800-515-2157. We appreciate your business and look forward to serving you in the future.e

Sincerely,

Jason Almquist
Sr. Specialist, Institutional
IST/STAR PHOENIX SERVICE
2423 E Lincoln Dr
Phoenix, AZ 85050

Independent investment advisors are not owned by, affiliated with, or supervised by Charles Schwab & Co., Inc. ("Schwab").



November 30, 2018

THE SHALLAT CHEMEL TRUST OF 1994

Account number ending in:

*****A ***

Questions: Contact your advisor or
call Schwab Alliance at
1-800-515-2157.e

Important information regarding shares in your account.

Dear Lee Shallat Chemel and David Chemel,

We're writing to confirm information about the account listed above, which Charles Schwab & Co., Inc. holds as custodian. This account holds in trust 122 shares of Wells Fargo WFC common stock. These shares have been held in the account continuously for at least one year prior to and including November 14, 2018.

These shares are held at Depository Trust Company under the nominee name of Charles Schwab & Co., Inc., which serves as custodian for the registration listed above.

Thank you for choosing Schwab. If you have questions, please contact your advisor or Schwab Alliance at 1-800-515-2157. We appreciate your business and look forward to serving you in the future.e

Sincerely,

Jason Almquist
Sr. Specialist, Institutional
IST/STAR PHOENIX SERVICE
2423 E Lincoln Dr
Phoenix, AZ 85050

Independent investment advisors are not owned by, affiliated with, or supervised by Charles Schwab & Co., Inc. ("Schwab").