GIBSON DUNN

Gibson, Dunn & Crutcher LLP

1050 Connecticut Avenue, N.W.
Washington, DC 20036-5306
Tel 202.955.8500
www.gibsondunn.com

Elizabeth Ising
Direct: 202.955.8287
Fax: 202.530.9631
EIsing@gibsondunn.com

March 8, 2021

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 Handlery Hotels, Inc. et al.
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

On December 26, 2020, we submitted a letter (the "No-Action Request") on behalf of Wells Fargo & Company (the "Company") notifying the staff of the Division of Corporation Finance of the Securities and Exchange Commission that the Company intends to omit from its proxy statement and form of proxy for its 2021 Annual Meeting of Shareholders a shareholder proposal (the "Proposal") and statements in support thereof (the "Supporting Statement") received from As You Sow on behalf of Handlery Hotels, Inc., John B & Linda C Mason Comm Prop Trust, and Langmaid-Shiffman, Mercy Investment Services Inc., Connecticut Retirement Plans and Trust Funds, Arjuna Capital on behalf of Judith Ellen Bamburg, Sisters of the Holy Names of Jesus and Mary U.S. - Ontario Province Corporation, and Daughters of Charity Province of St. Louise (collectively, the "Proponents").

Enclosed as Exhibit A is an email communication from As You Sow verifying that (i) As You Sow has the authority to withdraw on behalf of each of the Proponents and (ii) As You Sow has withdrawn the Proposal. In reliance on this communication, we hereby withdraw the No-Action Request.

Please do not hesitate to call me at (202) 955-8287 or Kathryn V. Purdom, Assistant General Counsel and Assistant Corporate Secretary, at (704) 374-3234.

Sincerely,

Elizabeth A. Ising

Enclosures

cc: Kathryn V. Purdom, Assistant General Counsel and Assistant Corporate Secretary
Mary E. Schaffner, Senior Vice President and Senior Counsel
Danielle Fugere, As You Sow
Mary Minette, Mercy Investment Services, Inc.
Christine Shaw, Connecticut Retirement Plans and Trust Funds
Natasha Lamb, Arjuna Capital
Vicki Cummings, Sisters of the Holy Names of Jesus and Mary U.S. - Ontario Province Corporation

EXHIBIT A

From: DFugere@asyousow.org
Sent: Friday, March 5, 2021 9:05 PM
To: Kathryn.Purdom@wellsfargo.com
Cc: lholzman@asyousow.org; Nathan.Hurst@wellsfargo.com; Mary.S.Wenzel@wellsfargo.com
Subject: RE: As You Sow Wells Fargo Withdrawal Agreement
Attachments: Withdrawal Agreement - As You Sow and Wells Fargo 2021.03.05_.pdf

Kathryn,

Thank you for your email and for your cooperation in coming to agreement on the terms of the withdrawal agreement referenced below. Attached is the fully executed agreement signed on behalf of all filers and co-filers.

We appreciate all that you and your team have done with regard to your planned net zero climate announcement and acknowledge the work still to come. Wells Fargo's actions to reduce its financed emissions will drive on-the-ground change and reduce global climate risk. We look forward to continuing to work with you as this process moves forward.

Please let me know if you need anything else from me. I hope the meeting tomorrow goes well.

Best,

Danielle

_____

Danielle Fugere
President
As You Sow
(510) 735-8141 (direct line) | (415) 577-5594 (cell)
dfugere@asyousow.org | www.asyousow.org

SANFORD J. LEWIS, ATTORNEY

February 12, 2021
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 Regarding climate change on Behalf of Handlery Hotels

Ladies and Gentlemen:

Handlery Hotels (the "Proponent") is beneficial owner of common stock of Wells Fargo (the "Company") and has submitted a shareholder proposal (the "Proposal") to the Company. I have been asked by the Proponent to respond to the supplemental letter dated February 2, 2021 ("Company Supplemental Letter") sent to the Securities and Exchange Commission by Elizabeth Ising. A copy of this response letter is being emailed concurrently to Elizabeth Ising.

SUMMARY

The Proposal asks the Company to issue a report outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal requiring net zero emissions.

This request asks the company to state *if* and *how* it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris 1.5 degree goal. The first question then is whether the Company has committed to bring its financing activities into alignment with the Paris goal? If it has committed, how will it do so? For instance, it could announce that it plans to adopt a science-based or other GHG emissions reduction target, and then set forth a timeline for adoption. It might announce that it will address certain sectors first, and describe why.

The essential purpose of the Proposal is very clear. In the Whereas clauses, which provide the background, context, and purpose of the proposal, the Proponent expresses the urgent need for clear and immediate commitments to action to reduce financed climate emissions. Accordingly, the Proposal ask Wells Fargo to state *if* it is making a GHG reduction commitment and *how* it intends to implement it. The proposal does not ask whether Wells Fargo is continuing to assess, evaluate, and compare available alternatives.

A vote of shareholders on the Proposal is quite appropriate in the present context, and it is not excludable under Rule 14a-8(i)(10). Rule 14a-8(i)(10) was intended, according to the Commission, to prevent shareholders from deliberating on matters already acted upon favorably by the Company. The Proposal has not been acted upon favorably. Thus, the Proposal provides

PO Box 231 Amherst, MA 01004-0231 • sanfordlewis@strategiccounsel.net • 413 549-7333

an opportunity for shareholders to vote as to whether the Company should go further than it has, specifically either to make the commitment, or explain that it will not do so.

The Proposal

Whereas: Banks play a critical role in meeting the Paris Agreement's goal of limiting global warming to 1.5 degrees Celsius, requiring net zero greenhouse gas (GHG) emissions by 2050. Limiting global warming at 1.5 versus 2 degrees will save $20 trillion globally by 2100.[1] Yet, as of 2019, the global financial system supports carbon producing activities that will cause global temperature rise greater than 4 degrees Celsius -- over double the limit necessary to avoid catastrophic warming.[2]

This carbon intensive funding creates systemic portfolio risks to the global economy, investors, and banks' profitability. The United States' Commodity Futures Trading Commission recently acknowledged that climate change creates significant risk and could impair the productive capacity of the U.S. economy.[3] Recognizing growing risk, the European Investment Bank, the biggest multilateral lender in the world, will stop funding fossil fuel projects in 2021.[4]

Wells' financing contributes substantially to global climate risk. It is the 2nd largest source of financing to fossil fuel companies globally, averaging over $49 billion annually since the Paris Agreement was signed.[5] Wells is already facing negative impacts from this; a second quarter $2.4 billion loss was attributed in significant part to loan losses in the oil and gas sector.[6]

In contrast, peer U.S. banks are beginning to address their financed GHG contributions. Morgan Stanley committed to reach net zero financed emissions by 2050.[7] JPMorgan made a Paris aligned financing commitment, with interim 2030 targets to be announced. Bloomberg noted the importance of interim targets, challenging banks to pursue 50 percent reductions by 2030.[8] BofA, Citigroup, and Morgan Stanley have joined other global banks in committing to measure and disclose their financed emissions through the Partnership for Carbon Accounting Financials

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[1] https://www.nature.com/articles/d41586-018-05219-5
[2] https://www.theguardian.com/business/2019/oct/15/bank-of-england-boss-warns-global-finance-it-is-funding-climate-crisis?CMP=Share_iOSApp_Other
[3] https://www.cftc.gov/sites/default/files/2020-09/9-9-20%20Report%20of%20the%20Subcommittee%20on%20Climate-Related%20Market%20Risk%20-%20Managing%20Climate%20Risk%20in%20the%20U.S.%20Financial%20System%20for%20posting.pdf
[4] https://www.ran.org/wp-content/uploads/2020/09/RAN_OCI_Fracking_Fiasco.pdf, p.7
[5] https://www.ran.org/wp-content/uploads/2020/03/Banking_on_Climate_Change__2020_vF.pdf
[6] https://www.washingtonpost.com/business/wells-fargo-loses-24-billion-in-2q-first-loss-since-2008/2020/07/14/dfe9b3f2-c5ce-11ea-a825-8722004e4150_story.html
[7] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate
[8] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate

(PCAF).[9]

While Wells has undertaken various climate related activities, including purchasing solar; issuing a climate risk report; creating climate committees; setting a $200 billion sustainable financing goal, including clean energy funding; and a statement of support for "the principles of the Paris Agreement," it has not indicated whether it will measure and disclose its financed GHG emissions or adopt Paris aligned net zero targets for its financed emissions.

Resolved: Shareholders request that Wells Fargo issue a report, at reasonable cost and omitting proprietary information, outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

Supporting Statement: Shareholders recommend the report disclose, among other issues, at board and management discretion:

- Whether the bank will join other peers in adopting the global PCAF measurement and reporting tool;
- Any other actions Wells Fargo is taking to measure and publicly disclose the GHG emissions associated with its financing activities;
- Whether the bank is considering setting Paris aligned, net zero targets, such as Science Based or other targets, and on what timeline, to reduce the carbon footprint of its lending activities.

ANALYSIS

The Proposal is not excludable under Rule 14a-8(i)(10)

The Company's disclosures do not substantially implement the Proposal because the information provided does not satisfy the guidelines or "essential objective" of the proposal.

In the Staff's view, a determination that the Company has substantially implemented the proposal depends upon whether its particular policies, practices, and procedures compare favorably with the guidelines of the proposal. *Texaco, Inc.* (Mar. 28, 1991). Substantial implementation under Rule 14a-8(i)(10) requires a company's actions to have satisfactorily addressed *both* the proposal's guidelines and its essential objective. See, e.g., *Exelon Corp.* (Feb. 26, 2010). The Commission stated in 1976 that the predecessor to Rule 14a-8(i)(10) was "designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." Exchange Act Release No. 12598 (July 7, 1976). Substantial implementation under Rule 14a-8(i)(10) requires a company's actions to have satisfactorily addressed both the proposal's underlying concerns and its essential objective. In the present

[9] https://carbonaccountingfinancials.com/

instance, the Company's reporting has done neither.

The Company claims that its *existing* disclosures substantially implement that defined essential objective. **However, examination of the proposal reveals that the essential purpose of the proposal *is for a clear response to the question of whether the company will commit to align its financing*** to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

Since the Company's existing actions do not provide a clear response to the core question of the Proposal, this is not an instance where "shareholders hav[e] to consider matters which already have been favorably acted upon by the management." Even though the Company has described activities it is undertaking that **may** lead to an eventual response to the Proposal, where disclosures are requested and have not yet been favorably acted upon by management, such Proposal should be allowed to go through the deliberative process of shareholders considering the question on the proxy. The Proposal is intended, and in fact is likely, to prompt quicker action from the Company in answering the proposal's questions. On the issue of climate, timing is imperative; delayed action builds more risk into the system.

Staff Legal Bulletin 14K and numerous no action decisions have made it clear that the Staff looks to the entirety of a proposal, including its supporting statement and whereas clauses, to discern the underlying concerns. The Proposal here highlights and acknowledges the Company's existing disclosures, and their inadequacy. The motivating concern and essential purpose of the Proposal is demonstrated by the text in the Proposal's Whereas clauses:

> **Whereas**: Banks play a critical role in meeting the Paris Agreement's goal of limiting global warming to 1.5 degrees Celsius, requiring net zero greenhouse gas (GHG) emissions by 2050. Limiting global warming at 1.5 versus 2 degrees will save $20 trillion globally by 2100.[1] Yet, as of 2019, the global financial system supports carbon producing activities that will cause global temperature rise greater than 4 degrees Celsius -- over double the limit necessary to avoid catastrophic warming.[2]
>
> This carbon intensive funding creates systemic portfolio risks to the global economy, investors, and banks' profitability. The United States' Commodity Futures Trading Commission recently acknowledged that climate change creates significant risk and could impair the productive capacity of the U.S. economy.[3] Recognizing growing risk, the European Investment Bank, the biggest multilateral lender in the world, will stop funding fossil fuel projects in 2021.[4]
>
> Wells' financing contributes substantially to global climate risk. It is the 2nd largest source of financing to fossil fuel companies globally, averaging over $49 billion annually since the Paris Agreement was signed.[5] Wells is already facing negative impacts from this; a second quarter $2.4 billion loss was attributed in

> significant part to loan losses in the oil and gas sector.[6]
>
> In contrast, peer U.S. banks are beginning to address their financed GHG contributions. Morgan Stanley committed to reach net zero financed emissions by 2050.[7] JPMorgan made a Paris aligned financing commitment, with interim 2030 targets to be announced. Bloomberg noted the importance of interim targets, challenging banks to pursue 50 percent reductions by 2030.[8] BofA, Citigroup, and Morgan Stanley have joined other global banks in committing to measure and disclose their financed emissions through the Partnership for Carbon Accounting Financials (PCAF).[9]
>
> While Wells has undertaken various climate related activities, including purchasing solar; issuing a climate risk report; creating climate committees; setting a $200 billion sustainable financing goal, including clean energy funding; and a statement of support for "the principles of the Paris Agreement," it has not indicated whether it will measure and disclose its financed GHG emissions or adopt Paris aligned net zero targets for its financed emissions.

Notable from these whereas clauses is the clear recognition that *in contrast to other financial institutions that are making specific commitments to reduce greenhouse gas emissions associated with their financing activities in line with Paris net zero goals*, the Company has not done so. It has acknowledged conducting supportive research into how to measure its financed emissions and it has named certain climate related programs that are likely to reduce greenhouse gas emissions to some extent in the future, but *what it has not done to date is* to indicate whether it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions."

The Company Supplemental Letter claims substantial implementation based on announcements that the Company is *studying* climate related issues, without providing a response to the operative question of the Proposal. Ultimately, despite a demonstration that it is studying the issues, the company fails to state if it intends to actually reduce its financed emissions in line with Paris' Net zero goal. Accordingly, the Proposal is appropriate for shareholder consideration and not substantially implemented.

The company's TCFD report seems designed to have it both ways -- to make it appear to shareholders that it is moving in line with peers, *but not actually adopting* a firm commitment to take action according to a specific timeline. The closest the language in the TCFD report comes to answering the "if and how" question of the Proposal is to state that it is "exploring science-based targets to understand the economic viability and feasibility of large scale transitions defined by policy, market, and technological dimensions." (TCFD Report page 14). While it is wholly unclear what this statement actually means in practice, it most certainly is not a commitment to *adopt* science based targets.

Similarly, the TCFD Report states that the Company continues "to explore various ways in which we could reduce our GHG emissions associated with our activities, including our financing activities." (TCFD report, page 18). It further reports that it is taking a series of actions around climate change, including deploying capital, evaluating credit related climate risk, managing operational resilience, increasing reporting, and joining groups to advance sustainability and climate-related projects, some of which may reduce its finance-related greenhouse emissions. It however makes no commitment as to what emissions reductions these programs will achieve in line with the Proposal, offering only a statement of possibility of unquantified reductions to come. The fact that it "could" adopt a targeted reduction program is not a statement of whether or not it intends to do so. The fact that it may be reducing certain greenhouse gas emissions is not a commitment to a specific reduction along a specific timeline. The present Proposal appropriately offers shareholders the opportunity to weigh in as to whether the company should go ahead and make the commitment, or at least clearly articulate whether or not it will.

The various group efforts that Wells Fargo has joined similarly fail to answer the question of what Wells Fargo intends to do. Those groups are exploring ways for industry to reduce its emissions across various sectors. Working with these groups is a good thing, but does not answer the specific inquiry raised by this Proposal.

In addition, the Supporting Statement of the Proposal asks for information from Wells on the initial steps the Company would need to take to accomplish a reduction in its financed emissions, namely whether it plans to measure and disclose its financed emissions. The Supporting Statement "recommend(s) the report disclose, among other issues, at board and management discretion:

- Whether the bank will join other peers in adopting the global PCAF measurement and reporting tool;
- Any other actions Wells Fargo is taking to measure and publicly disclose the GHG emissions associated with its financing activities….

Here too, while Wells Fargo discusses theoretical implementation of a measurement and management scheme, it does not state whether it will actually join peers in adopting a measurement and management system. Nor does it meet the 3rd bullet of the supporting statement:

- Whether the bank is considering setting Paris aligned, net zero targets, such as Science Based or other targets, and on what timeline, to reduce the carbon footprint of its lending activities.

Against this request, the Company does not state a timeline for bringing its financed emissions in line with Paris' net zero goal. The reporting of the company on the research it continues to conduct does not fulfill the proposal for purposes of Rule 14a-8(i)(10).

<u>Reconsidering Recent Staff Decisions on Substantial Implementation</u>

The issuer cites to recent precedents cited by the company, such as *Exxon Mobil Corporation*

(March 20, 2020), *Hess Corporation* (April 11, 2019), *Exxon Mobil Corporation* (April 3, 2019), as justifying exclusion of the current proposal as substantially implemented. We urge the Staff to rethink its recent approach to substantial implementation to realign with the publicly stated policies of the Commission. Staff's new approach to substantial implementation has, from shareholders' perspective, produced inappropriate obstruction of a number of proposals meriting a vote. Leaving shareholders' specific disclosure requests unanswered is not consistent with the long-standing position of the Staff and commission that "[the company's] particular policies, practices and procedures must compare favorably with the guidelines of the proposal."

To the extent that those recent Staff rulings at oil and gas companies found substantial implementation, despite the failure of the companies to meet the guidelines of the proposals, the present Proposal represents an opportunity to reverse those substantial implementation precedents, which undercut proposals seeking to address the climate change concerns of investors.

We call attention, in particular, in the above-cited determinations in Exxon and Hess to the proposals asking the companies to discuss "if and how" the companies would align with the Paris agreement's temperature goals. The decisions, instead of requiring the companies to respond to shareholders' "if" question -- "would they or wouldn't they align with the Paris agreement's goal," the decisions treated the Company's large volume of complex and unresponsive reporting, which occasionally mentioned the Paris Agreement without characterizing the company's intent to align or not, as responsive to the proposal, even though that reporting ignored the clear question and "essential purpose" evident in the language of the proposals.

Whether the shortcoming of the companies' reporting is understood as a failure to meet the guidelines, or failure to address the essential purpose of the proposal, it is evident to us that the determination to allow exclusion of the proposals, and to deny shareholders the opportunity to vote on this critical issues raised, was both unnecessary and ill-advised. Shareholders' own description of the material reporting they seek in order to make informed investment decisions should be given some minimal level of deference by Staff. Volumes of unrelated or nominally related information to a question posed by shareholders rarely serve as the basis of wise investment decisions.

Here, in examining the essential purpose of the current Proposal, it is clear that the Company's existing reporting does not fulfill the essential purpose of Proponents' information request -- if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

We note, in addition, that the Biden administration's executive orders of January 20 and January 27 call on all federal agencies to look for opportunities to reverse agency actions of the last four years that have undercut responsiveness to climate change and public health responses. We suggest that the current proposal reflects one such opportunity.

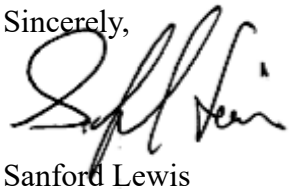
Relation to Executive Order of January 20, 2021

Notably, on January 20, 2021, President Biden issued an Executive Order calling for greater attention to public health, climate change, and environmental justice. The Executive Order asks all federal agencies to immediately begin looking for and implementing opportunities to protect public health and mitigate climate change. Allowing shareholders to vote on the Proposal, and thereby to exercise their private ordering leverage to encourage better disclosure and performance by issuers, is an important means of implementing the Executive Order, and therefore non-exclusion of the present Proposal has an additional and appropriate policy impetus.

CONCLUSION

We believe that the Company has provided no basis for the conclusion that the Proposal is excludable from the 2021 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.

Sincerely,



Sanford Lewis

cc:
Elizabeth Ising
Danielle Fugere

GIBSON DUNN

Gibson, Dunn & Crutcher LLP

1050 Connecticut Avenue, N.W.
Washington, DC 20036-5306
Tel 202.955.8500
www.gibsondunn.com

Elizabeth A. Ising
Direct: 202.955.8287
Fax: 202.530.9631
EIsing@gibsondunn.com

February 2, 2021

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*
Supplemental Letter Regarding Shareholder Proposal of Handlery Hotels, Inc. et al.
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

On December 26, 2020, we submitted a letter (the "No-Action Request") on behalf of Wells Fargo & Company (the "Company") notifying the staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") that the Company intends to omit from its proxy statement and form of proxy for its 2021 Annual Meeting of Shareholders (collectively, the "2021 Proxy Materials") a shareholder proposal (the "Proposal") and statements in support thereof (the "Supporting Statement") received from As You Sow on behalf of Handlery Hotels, Inc., John B & Linda C Mason Comm Prop Trust, and Langmaid-Shiffman, Mercy Investment Services Inc., Connecticut Retirement Plans and Trust Funds, Arjuna Capital on behalf of Judith Ellen Bamburg, Sisters of the Holy Names of Jesus and Mary U.S. - Ontario Province Corporation, and Daughters of Charity Province of St. Louise (collectively, the "Proponents"). *See* Exhibit A.

The Proposal states in part:

Resolved: Shareholders request that Wells Fargo issue a report, at reasonable cost and omitting proprietary information, outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

Supporting Statement: Shareholders recommend the report disclose, among other issues, at board and management discretion:

- Whether the bank will join other peers in adopting the global PCAF measurement and reporting tool;

- Any other actions Wells Fargo is taking to measure and publicly disclose the GHG emissions associated with its financing activities;
- Whether the bank is considering setting Paris aligned, net zero targets, such as Science Based or other targets, and on what timeline, to reduce the carbon footprint of its lending activities.

BASIS FOR SUPPLEMENTAL LETTER

Consistent with the No-Action Request, we hereby respectfully request that the Staff concur in our view that the Proposal may properly be excluded from the 2021 Proxy Materials pursuant to Rule 14a-8(i)(10) based on various disclosures on the Company's website, including its (1) recently-released Task Force for Climate Related Financial Disclosures (TCFD) 2020 Report (the "TCFD Report"),[1] (2) Wells Fargo Issue Brief: Climate Change (the "Climate Change Issue Brief")[2]; and (3) CDP Climate Change Questionnaire 2020 (the "CDP Report," and collectively with the TCFD Report and the Climate Change Issue Brief, the "Report").[3]

ANALYSIS

The Proposal May Be Excluded Under Rule 14a-8(i)(10) As Substantially Implemented.

A. Background.

Rule 14a-8(i)(10) permits the exclusion of a shareholder proposal "[i]f the company has already substantially implemented the proposal." The Commission stated in 1976 that the predecessor to Rule 14a-8(i)(10) was "designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." *See* Exchange Act Release No. 12598 (July 7, 1976) (the "1976 Release"). Originally, the Staff narrowly interpreted this predecessor rule and granted no-action relief only when shareholder proposals were "'fully' effected" by the company. *See* Exchange Act Release No. 19135 (Oct. 14, 1982). By 1983, the Commission recognized that the "previous formalistic application of [the Rule] defeated its purpose" because proponents were successfully convincing the Staff to deny no-action relief by submitting shareholder proposals that differed from existing company policy by only a few words. Exchange Act Release No. 20091, at § II.E.6. (Aug. 16, 1983) (the "1983 Release"). Therefore, in 1983, the Commission adopted a revised interpretation to the rule to permit the omission of shareholder proposals that had been "substantially implemented." 1983 Release. The 1998 amendments to the proxy rules codified this position. *See* Exchange Act Release No. 40018 (May 21, 1998) (the "1998 Release"), at n.30 and accompanying text.

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[1] *Available at* https://www.wellsfargo.com/assets/pdf/about/corporate-responsibility/climate-disclosure.pdf. *See also* Exhibit B.

[2] *Available at* https://www.wellsfargo.com/assets/pdf/about/corporate-responsibility/climate-change-issue-brief.pdf. *See also* Exhibit C.

[3] *Available at* https://www.wellsfargo.com/assets/pdf/about/corporate-responsibility/climate-change-information-request.pdf. *See also* Exhibit D.

Under this standard, when a company can demonstrate that it already has taken actions to address the underlying concerns and essential objectives of a shareholder proposal, the Staff has concurred that the shareholder proposal has been "substantially implemented" and may be excluded as moot. The Staff has noted that "a determination that the company has substantially implemented the proposal depends upon whether [the company's] particular policies, practices and procedures compare favorably with the guidelines of the proposal." *Texaco, Inc.* (avail. Mar. 28, 1991).

In applying this standard, a company need not implement a shareholder proposal in exactly the manner set forth by the proponent or in the manner that a shareholder may prefer. *See* 1998 Release at n.30 and accompanying text. Differences between a company's actions and a shareholder proposal are permitted as long as the company's actions satisfactorily address the shareholder proposal's essential objectives.

As a result, the Staff has concurred with the exclusion under Rule 14a-8(i)(10) of numerous shareholder proposals related to climate change where the disclosures made by the company compared favorably with the requested disclosures. Moreover, the Staff recently concurred with the exclusion of a number of shareholder proposals similar to the Proposal as a result of disclosure similar to what is set forth in the Report. In *Chevron Corp.* (avail. Mar. 20, 2020), a shareholder proposal similar to the Proposal requested that the company issue a report "describing if, and how, it plans to reduce its total contribution to climate change and align its operations and investments with the Paris Agreement's goal of maintaining global temperature rise well below 2 degrees Celsius." The company asserted that the disclosures published in its Climate Change Resilience Report (including subsequent supplemental reports) and disclosures on its website substantially implemented the proposal because those disclosures included information regarding the company's related carbon-management compliance plan process, described how the company plans its strategy with a view to additional policy developments (like the Paris Agreement), and explained how the company's adoption of metrics and its strategy helped the company align its operations and investments with the Paris Agreement. The Staff concurred with exclusion of the proposal under Rule 14a-8(i)(10).

Likewise, in *Hess Corp.* (avail. Apr. 9, 2020), a shareholder proposal nearly identical to the proposal in *Chevron* requested that the company issue a report regarding its plans to reduce climate change and align its investments with the Paris Agreement. The company asserted that its disclosures in its 2018 Sustainability Report, its response to the 2019 CDP Climate change Questionnaire, and its investor presentation at the 2020 Goldman Sachs Energy Conference satisfied the essential objective of the proposal and "adequately described [the company's] plans to, and how it plans to, continue to reduce its contribution to climate change and align its operations and investments with the well below 2° C Goal." The Staff concurred with exclusion of the proposal under Rule 14a-8(i)(10). *See also Exxon Mobil Corp.* (avail. Apr. 3, 2019) (concurring with the exclusion of a shareholder proposal requesting that the company issue a report "on how it can reduce its carbon footprint in alignment with greenhouse gas reductions necessary to achieve the Paris Agreement's goal of maintaining global warming well below

2 degrees Celsius" where the company addressed the proposal's essential objective even if it did not do so in the format requested (*e.g.*, analyze the relative benefits and drawbacks of various matters) under Rule 14a-(i)(10)); *PNM Resources, Inc.* (avail. Mar. 30, 2018), (concurring with the exclusion of a proposal requesting that the company "prepare a public report identifying all generation assets that might become stranded due to global climate change within the next fifteen years, quantifying low, medium, and high financial risk associated with each asset" where the various company public disclosures made available on its sustainability website "compare[d] favorably with the guidelines of the [p]roposal" despite being in a different format than contemplated by the shareholder proposal); *Anthem, Inc.* (avail. Mar. 19, 2018) (concurring with the exclusion of a shareholder proposal requesting "a sustainability report describing the company's ESG performance including GHG reduction targets and goals" as substantially implemented by the company's existing disclosures); *The Dow Chemical Co.* (avail. Mar. 18, 2014, *recon. denied* Mar. 25, 2014) (concurring with the exclusion of a shareholder proposal requesting that the company prepare a report "assessing the short and long term financial, reputational and operational impacts" of an environmental incident in Bhopal, India where the company's statements in a "Q and A" document relating to the Bhopal incident substantially implemented the shareholder proposal); *Target Corp. (Johnson and Thompson)* (avail. Mar. 26, 2013) (concurring with the exclusion of a shareholder proposal asking the board to study the feasibility of adopting a policy prohibiting the use of treasury funds for direct and indirect political contributions where the company had addressed company reviews of use of company funds for political purposes in a statement in opposition set forth in a previous proxy statement and five pages excerpted from a company report).

B. The Company Has Substantially Implemented The Proposal Through Publication Of The Report.

The Proposal's essential objective is for the Company to disclose information "outlining if and how [the Company] intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions." In addition, the Proposal seeks, but does not mandate, disclosure of information set forth in three bullets. As discussed below, the Company has disclosed information in the Report that compares favorably to each of these requests. As a result, similar to the shareholder proposals in *Chevron*, *Hess*, and the other no-action letters cited herein, the Company has substantially implemented the Proposal by publishing the Report.

First, the Report addresses "*if and how* [the Company] intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement" (emphasis added). As stated in the TCFD Report, the Company "supports the principles of the Paris Agreement, including holding the increase in global average temperature to well below 2° Celsius above preindustrial levels and pursuing efforts to limit the temperature increase to 1.5° Celsius above preindustrial levels."[4] The Paris Agreement contemplates that the world will move towards a low-carbon economy. To that end, the Company discloses to shareholders in the

[4] TCFD Report at 6.

Report that it has "endorsed the [Task Force for Climate-related Financial Disclosures] recommendations" in order to "help [the Company] better manage the risks and opportunities associated with climate change, and contribute to sector-wide progress on financing a low-carbon future."[5] Moreover, the Report explains that the Company seeks to support its customers during the transition to "transform their businesses for success in a low-carbon economy, and support [its] communities as they work to adapt to and mitigate the impacts of climate change."[6] The Climate Change Issue Brief also acknowledges the Company's efforts to deploy capital "to support a responsible transition to a low-carbon economy."[7]

That said, the Company's efforts in this area are still developing, which the Company explains in the Report. For example, the "Goal Setting" section of the TFCD Report makes clear that the Company continues to work towards "reduc[ing] the GHG emissions associated with its financing activities in alignment with the Paris Agreement," as requested by the Proposal:

> [The Company is] in the process of establishing a new set of robust long-term ESG goals, including those related to climate change and reducing GHGs. *Learnings from [its] work to quantify [its] Scope 3 financed emissions will help inform [its] ongoing efforts to set a science-based target and develop specific commitments, including with respect to financed emissions, consistent with the Paris Agreement, including its goal of holding the increase in global average temperature to well below 2° Celsius above preindustrial levels and pursuing efforts to limit the temperature increase to 1.5° Celsius above preindustrial levels recognizing that this would significantly reduce the risks and impacts of climate change.* These commitments may include, among other things, our current efforts to collectively transition to a low-carbon, climate resilient future, as discussed in the Strategy section.[8]

The above-referenced Strategy section in the TCFD Report then elaborates on these potential actions, which include efforts related to: (i) sustainable finance; (ii) clean technology and innovation; (iii) climate-driven risk dimensions; (iv) operational resilience; (v) transparency and disclosure; and (vi) stewardship and social impact.[9] For example, the discussion on sustainable finance specifies that 50% of the $200 billion the Company has committed to lend to or invest in environmentally sustainable businesses and projects by 2030 is earmarked for activities directly supporting "the transition to a low-carbon economy, including renewables, energy efficient technologies, green buildings, green bonds, and low-emission vehicles."[10] The TCFD Report's discussion on the Company's sustainable finance strategy also highlights the

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[5] *Id*. at 3.
[6] *Id*.
[7] Climate Change Issue Brief at 2.
[8] TCFD Report at 31 (*emphasis added*).
[9] *Id*. at 11. The TCFD Report also states it "aims to capture the comprehensive, company-wide approach [the Company is] taking in response to the urgent, uncertain, and systemic crisis of human-induced climate change." *Id*. at 33.
[10] *Id*. at 12.

Company's creation of the Sustainable Finance Center of Excellence (the "SF – CoE") in 2020 "to promote a greater focus on sustainable finance with [the Company's] lines of business, leading NGO organizations, and others."[11] The SF – CoE "works across the [Company] to support customer engagement on sustainable finance opportunities with subject matter expertise, competitive intelligence, and analytics" to "help with driving innovation around resilient infrastructure and communities, scaling clean technology, advancing transition finance in carbon intensive sectors, and catalyzing climate-aligned financing."[12] Moreover, the TCFD Report outlines the Company's environmental and social risk management framework and discusses analytical tools and models used by the Company to frame its exploration of climate-driven risks and opportunities.[13]

The CDP Report also discusses "*if and how* [the Company] intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement" in the categories of "Bank lending" and "Investing" (emphasis added). For example, when elaborating on the statement that the Company plans to take actions to align to a well below 2 degree scenario in the next two years, it states:

> [The Company is] in consultation with various external strategic partners and initiatives on this topic [of aligning its portfolios to a well below 2-degree world]. [The Company is] exploring temperature alignment, portfolio coverage, and other methodologies for identifying inter-temporal portfolio alignment choices that meet the Paris Agreement's requirement for keeping the planet well below 2 degrees of additional warming by 2100.[14]

For these reasons, the Report substantially implements the Proposal's essential objective of disclosing information that "outlin[es] if and how [the Company] intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions."

The Supporting Statement also suggests three additional areas that the requested report could address. As mentioned above, the Proposal does not mandate that the requested report address these particular issues and instead leaves the contents of the report to "board and management discretion." However, as detailed below, the Report also substantially implements each of those items.

The first suggestion in the Supporting Statement is that the requested report discuss "[w]hether the bank will join other peers in adopting the global PCAF measurement and reporting tool." The Company notes that with the TCFD Report, it is making a disclosure it believes is consistent with the spirit of the Partnership for Carbon Accounting Financials

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[11] *Id.* at 12.
[12] *Id.*
[13] *See id.* at 23–30.
[14] CDP Report at 81.

("PCAF"), and that while it recognizes the utility in PCAF's mission to create a single accounting standard, the Company continues to work to mature its own internal carbon accounting program.[15] Further, the TCFD Report notes:

> [The Company is] evaluating both internal and external climate-related measurement methodologies to determine meaningful and enduring approaches to calculate [its] financed emissions. . . . In addition to technological solutions, [the Company] is exploring industry-led methodologies for measuring and disclosing financed emissions. One specific methodology under consideration is PCAF* which aims to create a single standard for financial institutions to calculate, report, and disclose financed emissions. [The Company] intend[s] to make a final decision on whether joining PCAF is the appropriate path for [its] business and stakeholders in 2021.[16]

Second, the Supporting Statement suggests disclosure regarding "[a]ny other actions Wells Fargo is taking to measure and publicly disclose the GHG emissions associated with its financing activities." The TCFD Report discusses several such actions that the Company is taking:

- The Company has "begun the process of understanding data availability and prevailing methodologies and their limitations to estimate Scope 1, 2, and 3 upstream emissions associated with a selection of [the Company's] financing portfolios," with the aim to "cultivate repeatable, consistent metrics for financed emissions that inform the complex undertaking of setting a science-based GHG reduction target."[17] The TCFD Report also includes a table representing concentrations of the Company's Scope 3 financed emissions as of December 31, 2019, based on estimates of GHG emissions by NAICS sector.[18]

- The TCFD Report highlights that in July 2020 the Company partnered with the Rocky Mountain Institute ("RMI"), a leading global clean energy nonprofit, and other financial institutions to launch the Center for Climate-Aligned Finance (the "Center"), which "will be independently administered by RMI and will collaborate with the financial sector to help develop integrated solutions and decision-making frameworks in partnership with industry clients in carbon-intensive sectors."[19] As the TCFD Report explains, this work by the Center "will support decarbonization, *as well as develop relevant metrics, tools, and other means to track progress toward net-zero lending and investing activities*."[20]

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[15] TCFD Report at 18.
[16] *Id*. at 31.
[17] *Id*. at 18–19.
[18] *Id*. at 19.
[19] *Id*. at 20.
[20] *Id*. (emphasis added).

Finally, the TCFD Report and the Climate Change Issue Brief address the suggestion in the Supporting Statement that the Company discloses information regarding "[w]hether the [Company] is considering setting Paris aligned, net zero targets, such as Science Based or other targets, and on what timeline, to reduce the carbon footprint of its lending activities." With regards to the TCFD Report:

- It details the governance structure maintained by the Company to oversee its centralized and systematic approach to climate-driven risks and opportunities, which includes its Climate Change Working Group (the "CCWG").[21] As discussed in more detail in the TCFD Report, the CCWG is an "enterprise-level working group [that] plays a critical role in providing input in the operationalization of initiatives designed to enhance [the Company's] governance, strategy, and risk management efforts with respect to climate change, *including calculating metrics for [science-based] target setting*."[22] Moreover, Wells Fargo Asset Management's CCWG "[d]evelops processes to consider climate scenarios together with forward-looking options, for integration into traditional financial analysis for investment purposes."[23]

- As discussed above, it also notes the following in the Goal Setting section, "Learnings from [the Company's] work to quantify [its] Scope 3 financed emissions will help inform [its] ongoing efforts to set a science-based target and develop specific commitments, including with respect to financed emissions, consistent with the Paris Agreement."[24]

Similarly, the Company discloses in the Climate Change Issue Brief:

> [The Company] believes that measuring the carbon intensity of [its] credit portfolio will allow [the Company] to provide a more holistic view of the indirect impact [it is] having through [its] lending. While data availability presents challenges in this work, [the Company] hope[s] to be able to identify concentrations of high-carbon financing that may not be currently recognized, or otherwise validate [the Company's] increased attention to customers in industries commonly recognized as carbon intensive . . . . Ultimately, *[the Company] aim[s] to quantify [its] financed emissions with the intent to use this knowledge to inform [its] efforts to set a science-based target*.[25]

Based on the disclosures in the Report described above, the Company has substantially implemented the Proposal's request to "outlin[e] if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions." As a result, the Company's actions implementing the

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[21] *See id.* at 7–10.
[22] *Id.* at 9 (emphasis added).
[23] *Id.* at 10.
[24] *Id.* at 31.
[25] Climate Change Issue Brief at 4 (emphasis added).

Proposal present precisely the scenario contemplated by the Commission when it adopted the predecessor to Rule 14a-8(i)(10) "to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." 1976 Release. As discussed above, and similar to the company disclosures related to shareholder proposals similar to the Proposal in *Chevron* and *Hess*, the Report addresses the essential objective and describes in detail the Company's efforts to reduce its "GHG emissions associated with its financing activities" and the steps it has taken to do so "in alignment with" the Paris Agreement. The Report goes even further and also addresses each of the additional voluntary details requested by the Proposal.

Thus, the Report is directly responsive as to the question of "if and how" the Company intends to align its financing activities with the Paris Agreement. Accordingly, the essential objective of the Proposal has been satisfied and, for the reasons set forth above, the Proposal may properly be excluded from the Company's 2021 Proxy Materials under Rule 14a-8(i)(10).

CONCLUSION

Based upon the foregoing analysis, the Company intends to exclude the Proposal from its 2021 Proxy Materials, and we respectfully request that the Staff concur that the Proposal may be excluded under Rule 14a-8(i)(10). In accordance with Rule 14a-8(j), a copy of this supplemental letter and its attachments is being sent on this date to the Proponents.

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 Kathryn V. Purdom, Assistant General Counsel and Assistant Corporate Secretary, at (704) 374-3234.

Sincerely,

Elizabeth A. Ising

Enclosures

cc: Kathryn V. Purdom, Assistant General Counsel and Assistant Corporate Secretary
Mary E. Schaffner, Senior Vice President and Senior Counsel
Danielle Fugere, As You Sow
Mary Minette, Mercy Investment Services, Inc.
Christine Shaw, Connecticut Retirement Plans and Trust Funds
Natasha Lamb, Arjuna Capital
Vicki Cummings, Sisters of the Holy Names of Jesus and Mary U.S. - Ontario Province Corporation

EXHIBIT A

Whereas: Banks play a critical role in meeting the Paris Agreement's goal of limiting global warming to 1.5 degrees Celsius, requiring net zero greenhouse gas (GHG) emissions by 2050. Limiting global warming at 1.5 versus 2 degrees will save $20 trillion globally by 2100.[1] Yet, as of 2019, the global financial system supports carbon producing activities that will cause global temperature rise greater than 4 degrees Celsius -- over double the limit necessary to avoid catastrophic warming.[2]

This carbon intensive funding creates systemic portfolio risks to the global economy, investors, and banks' profitability. The United States' Commodity Futures Trading Commission recently acknowledged that climate change creates significant risk and could impair the productive capacity of the U.S. economy.[3] Recognizing growing risk, the European Investment Bank, the biggest multilateral lender in the world, will stop funding fossil fuel projects in 2021.[4]

Wells' financing contributes substantially to global climate risk. It is the 2nd largest source of financing to fossil fuel companies globally, averaging over $49 billion annually since the Paris Agreement was signed.[5] Wells is already facing negative impacts from this; a second quarter $2.4 billion loss was attributed in significant part to loan losses in the oil and gas sector.[6]

In contrast, peer U.S. banks are beginning to address their financed GHG contributions. Morgan Stanley committed to reach net zero financed emissions by 2050.[7] JPMorgan made a Paris aligned financing commitment, with interim 2030 targets to be announced. Bloomberg noted the importance of interim targets, challenging banks to pursue 50 percent reductions by 2030.[8] BofA, Citigroup, and Morgan Stanley have joined other global banks in committing to measure and disclose their financed emissions through the Partnership for Carbon Accounting Financials (PCAF).[9]

While Wells has undertaken various climate related activities, including purchasing solar; issuing a climate risk report; creating climate committees; setting a $200 billion sustainable financing goal, including clean energy funding; and a statement of support for "the principles of

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[1] https://www.nature.com/articles/d41586-018-05219-5
[2] https://www.theguardian.com/business/2019/oct/15/bank-of-england-boss-warns-global-finance-it-is-funding-climate-crisis?CMP=Share_iOSApp_Other
[3] https://www.cftc.gov/sites/default/files/2020-09/9-9-20%20Report%20of%20the%20Subcommittee%20on%20Climate-Related%20Market%20Risk%20-%20Managing%20Climate%20Risk%20in%20the%20U.S.%20Financial%20System%20for%20posting.pdf
[4] https://www.ran.org/wp-content/uploads/2020/09/RAN_OCI_Fracking_Fiasco.pdf, p.7
[5] https://www.ran.org/wp-content/uploads/2020/03/Banking_on_Climate_Change__2020_vF.pdf
[6] https://www.washingtonpost.com/business/wells-fargo-loses-24-billion-in-2q-first-loss-since-2008/2020/07/14/dfe9b3f2-c5ce-11ea-a825-8722004e4150_story.html
[7] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate
[8] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate
[9] https://carbonaccountingfinancials.com/

the Paris Agreement," it has not indicated whether it will measure and disclose its financed GHG emissions or adopt Paris aligned net zero targets for its financed emissions.

Resolved: Shareholders request that Wells Fargo issue a report, at reasonable cost and omitting proprietary information, outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

Supporting Statement: Shareholders recommend the report disclose, among other issues, at board and management discretion:

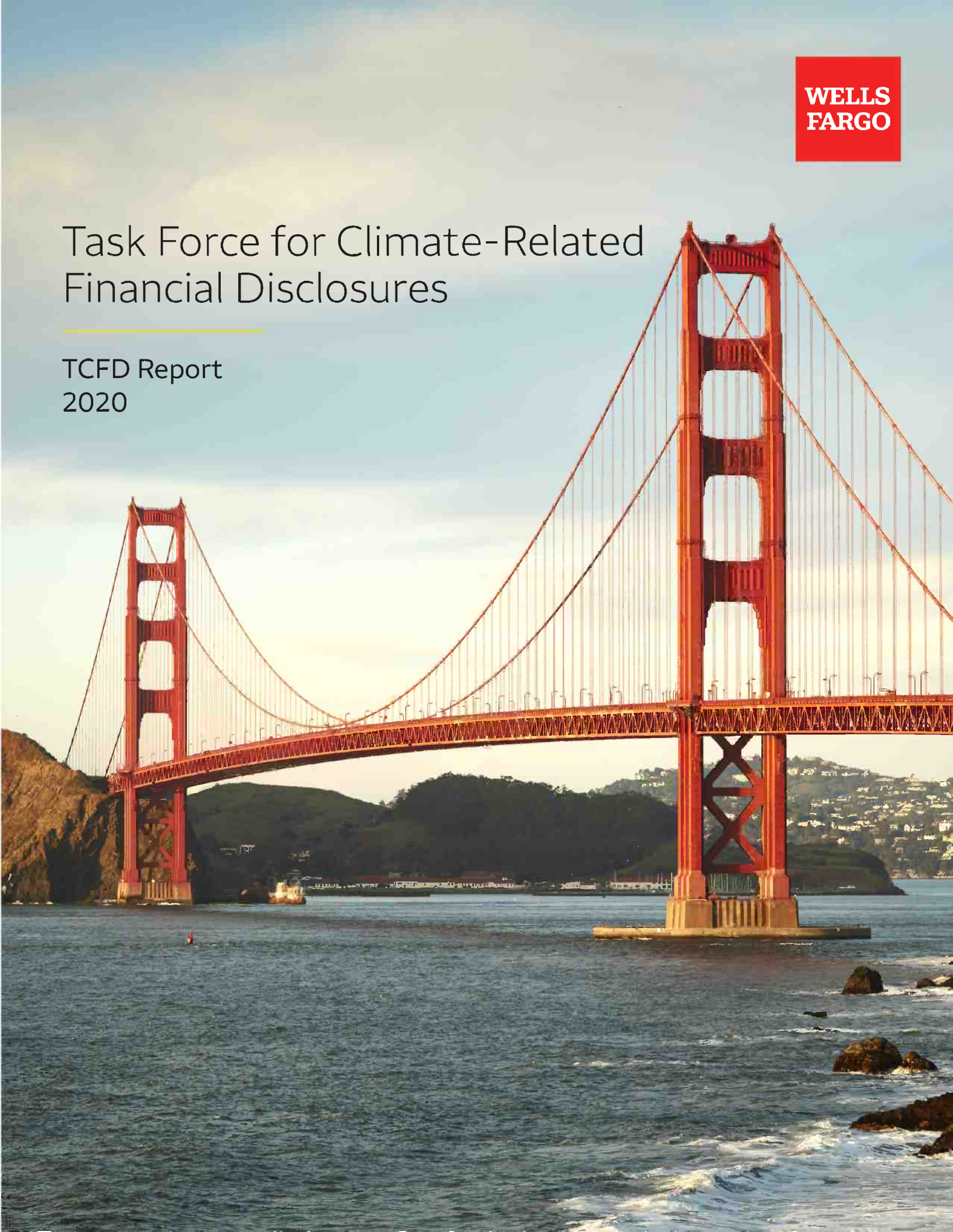
- Whether the bank will join other peers in adopting the global PCAF measurement and reporting tool;
- Any other actions Wells Fargo is taking to measure and publicly disclose the GHG emissions associated with its financing activities;
- Whether the bank is considering setting Paris aligned, net zero targets, such as Science Based or other targets, and on what timeline, to reduce the carbon footprint of its lending activities.

EXHIBIT B

WELLS FARGO

Task Force for Climate-Related Financial Disclosures

TCFD Report 2020



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Message from the CEO

At Wells Fargo, we recognize that climate change is one of the most urgent environmental and social issues of our time. We are committed to real solutions that align with our responsibilities to our stakeholders and to the environment. I am very pleased to take the next step in our sustainability journey with this release of our inaugural Task Force for Climate-related Financial Disclosures (TCFD) report. This report outlines Wells Fargo's strategic approach to managing the risks associated with climate change and deploying capital to accelerate a just transition to a low-carbon economy.

Climate change is projected to impact nearly every aspect of the economy and society, including agriculture, infrastructure, public health, human migration, national security, and more. These impacts pose a series of potentially interconnected risks to the financial system from employment and productivity to credit and insurance. While we cannot foresee exactly how these impacts may interact with each other over time, as we are seeing with the current COVID-19 pandemic, vulnerabilities and inequalities across society are likely to be amplified as climate change continues to manifest.

We believe that collective action is needed to transition to a low-carbon economy and minimize the impact on our most vulnerable communities. As this report indicates, we have endorsed the TCFD recommendations because we believe they will help us better manage the risks and opportunities associated with climate change, and contribute to sector-wide progress on financing a low-carbon future. Our goal is to support our customers as they also work to transform their businesses for success in a low-carbon economy, and support our communities as they work to adapt to and mitigate the impacts of climate change.

We are working across our organization to manage the impacts of climate change on our business, communities, employees, and customers. As a company, we are:

- Deploying capital to support a responsible transition to a low-carbon economy, including our $200 billion sustainable finance commitment by 2030 and our newly announced Environmental, Social, and Governance (ESG) Solutions Group within Corporate and Investment Banking (CIB) dedicated to delivering clients the full suite of thought leadership and products Wells Fargo offers in the sustainable lending, securities, and investing universe.
- Evaluating climate-related risks at the transaction, sector, and portfolio levels with an environmental and social risk management focus.
- Managing our operational resilience and efficiency and achieving carbon neutrality for our 2019 operations through the purchase of carbon offsets.
- Addressing stakeholder expectations for more robust disclosure and reporting, including undertaking efforts to help calculate the carbon footprint of our financial portfolios.
- Collaborating with leading organizations to advance sustainability, drive innovation, and make a positive impact on the environment and in our communities.

While we have made great progress in renewable energy, clean technology, and energy efficiency, it is imperative that we collaborate across the private sector, regulators, and civil society to advance public policies, sustainable finance and investing initiatives, and technology innovation to develop and deliver comprehensive climate change solutions.

Charles W. Scharf
CEO, Wells Fargo & Company

A legacy of climate action

Wells Fargo has a long history of considering and seeking to address the implications of climate change in our operations, products, and collaborations. Our efforts generate and maintain long-term strategic value and are aligned with our commitment to transparency and focus on the needs of all of our stakeholders, including customers, employees, regulators, suppliers, communities, and shareholders.

Legacy Activities — 1970s and beyond

Implementation of a recycling program

Advocating for communities and the environment

Released first corporate responsibility agenda

Established a Corporate Responsibility Committee

Provided funding to construction loans for solar projects

Installed a solar heating/cooling system as a test at a branch in Southern CA

2005

Signatory to Equator Principles

First bank of its size to issue commitment to provide $1 billion in environmental finance from 2005-2010 for environmentally beneficial business opportunities

2006

Renewable Energy and Environmental Finance (REEF) group established

2007

First corporation to lead EPA's national Top 25 list of green power purchasers

Issued first corporate citizenship report

2008

First appeared on CDP Disclosure Leadership Index

Wells Fargo Funds Management launches its first sustainability fund

2010

Wells Fargo Asset Management (WFAM) became signatory to UK Stewardship code

2012

Comprehensive environmental commitment announced which covers operational efficiency and includes $30 billion in sustainable finance by 2020

First iteration of 2020 operational sustainability goals: Leadership in Energy and Environmental Design (LEED) certification, energy, water, greenhouse gas emissions, and waste reduction

Restrictions placed on lending to companies that practice mountaintop coal mining

Joined CERES Company network*

2013

Earned recognition from the Environmental Protection Agency's Climate Leadership program for Excellence in Greenhouse Gas Management

2014

Published Environmental and Social Risk Management Policy[1]

Launched the Innovation Incubator* (IN²) program in partnership with U.S. Department of Energy's National Renewable Energy Laboratory (NREL)

Underwrote 1st nonfinancial sector Corporate Green Bond deal in U.S. Investment Grade market

1. Renamed Environmental and Social Impact Management Policy in

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2015

WFAM signed UN Principles for Responsible Investment

2016

Renewed 2020 operational sustainability goals and added a goal to meet 100% of our global electricity consumption with renewable energy sources[2]

Joined RE100

Wells Fargo Private Bank's Social Impact Investing team added a sustainable investing strategy to its other offerings which excludes exposure to fossil fuels and includes assessment of all holdings for exposure to carbon emissions

2017

Met 100% of our electricity consumption with renewable energy sources[3]

Corporate properties exceeded 30 million sq. ft. of LEED®-certified space

Joined Equator Principles Steering Committee

WFAM signed Japan's Stewardship Code

2018

Announced $200 billion sustainable finance commitment through 2030

Provided $5 million in seed funding to create Tribal Solar Accelerator Fund (with nonprofit GRID Alternatives) to support solar projects in tribal communities

Joined CDP supply chain program

Became Investor Network member at CERES

Together with peer banks, Wells Fargo collaborated with Oliver Wyman to pilot climate scenario analysis

Conducted physical climate risk analysis on more than a dozen Wells Fargo facilities

2019

Achieved carbon neutrality across our operations through the purchase of carbon offsets

Executed first Power Purchase Agreement with NRG Energy for 25MW to serve Wells Fargo energy needs in Texas

Determined we would not finance Equator Principles in-scope transactions in the Alaska Arctic region

Endorsed Task Force on Climate-related Financial Disclosures (TCFD)

Established Enterprise Climate Change Working Group

WFAM joined Climate Action 100+ global initiative

Participated in first sustainability-linked loan syndication in the U.S.

2020

Prohibited financing of coal-fired power generation projects

Made a $600,000 grant to support the work of Capital for Climate,* a climate finance investment platform for large-scale investors seeking to lead the transition to net zero carbon emissions (1.5°C outcome) by 2050

Worked with peers and the Rocky Mountain Institute to launch the Center for Climate-Aligned Finance

Won S&P Global Platts energy award

2. Renewable energy sources include on-site solar, long-term contracts that support net new sources of off-site renewable energy, and the purchase of renewable energy certificates.
3. Renewable energy sources include on-site solar, long-term contracts that support net new sources of off-site renewable energy, and the purchase of renewable energy certificates.

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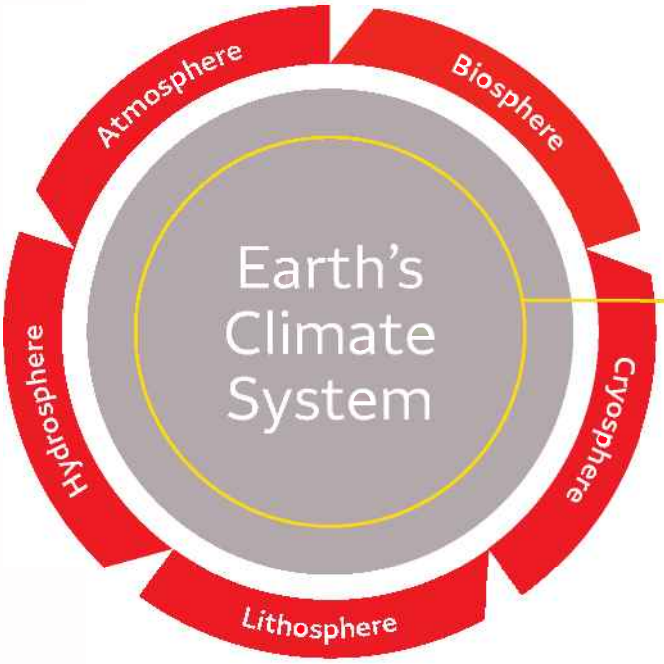
Climate fundamentals

Earth depends on balances in its natural systems to create and to sustain vibrant conditions for its inhabitants. The climate system is fundamental to every aspect of life on earth. At the core of the climate system is the carbon cycle, which transforms carbon flows, regulates how greenhouse gases (GHGs) absorb radiant energy from the sun, and ultimately warms the planet. The greenhouse effect is a natural process, however its natural balance has been altered by humans since the onset of industrialization. Scientists can now measure an anthropogenic greenhouse effect, which is an outsized accumulation of legacy and new GHG emissions related to energy and land use, industrialized production and consumption, and waste treatment, among other activities. Earth's energy budget and carbon cycle continue to destabilize our atmosphere, water, ice, vegetation, lands, and oceans. The impacts of climate change are unpredictable, inequitable, and highly dependent upon when, where, and how humans intervene.

Wells Fargo supports the principles of the Paris Agreement, including holding the increase in global average temperature to well below 2° Celsius above preindustrial levels and pursuing efforts to limit the temperature increase to 1.5° Celsius above preindustrial levels, recognizing that this would significantly reduce the risks and impacts of climate change. Averting tipping points that are projected to occur above two degrees significantly decreases the risks and impacts of anthropogenic climate change on public health and safety, biodiversity, ecosystem services, and economic activity. Understanding the climate system through the lens of our own value chain helps inform our approach to the sources and impacts of climate change. Without a portfolio of solutions focused on mitigation, adaptation, and resilience, we risk further instability within the climate system, and the potential acceleration of hazards and disruptions.



Carbon cycle

A natural process by which the Earth maintains checks and balances in the stocks and flows of carbon throughout the climate system's various components.

Carbon sources

Any process that emits carbon dioxide (CO_2) into the atmosphere — from plant and animal decay, to deforestation, to the burning of fossil fuels.

Carbon sinks

Reservoirs that trap some of the CO_2 emitted into the atmosphere. For example, forests and other forms of land vegetation absorb CO_2 for photosynthesis. Oceans have absorbed almost a third of all human-induced emissions since the onset of the Industrial Revolution.

Governance

Wells Fargo maintains a governance structure to oversee our systematic approach to climate-related risks and opportunities. Wells Fargo leadership provides accountability, resources, and participation in our Climate Change Working Group (CCWG). Our centralized approach relies on knowledge sharing and decision-making across all levels of the organization, including operating segments, lines of business, and enterprise functions and Independent Risk Management (IRM). Enterprise initiatives operate with the common objective of integrating climate and ESG factors into how we plan and conduct our business. Enterprise-wide integration of climate and ESG factors requires assessing short-, medium-, and long-term time horizons for value chain activities against stakeholder expectations, economic viability, and the level of ambition for our own sustainability goals.

* Committee structure as of December 31, 2020. Chart does not reflect all management level committees. Governance bodies are supported by various line of business and functional councils and working groups, including the ESG Disclosure Council, Climate Change Working Group, Climate Impact Risk Forum, Clean Energy Vertical, Wells Fargo Asset Management Climate Change Working Group, etc.

Board oversight

Wells Fargo's Board of Directors (Board) has adopted Corporate Governance Guidelines that provide the framework for the governance of the Board and the Company. The Corporate Responsibility Committee (CRC), a standing committee of the Board, is responsible for oversight of our strategies and programs on public interest and social responsibility matters of significance to the company, including sustainability and environmental matters. The CRC meets regularly to discuss updates from management on policy development and implementation, materiality and impact assessments, and initiative reporting as part of its oversight of and our management of critical sustainability issues, including climate. The CRC also oversees public policy issues of significance to the company and our relationships with external stakeholders.

The Board's Risk Committee annually reviews and approves the company's Risk Management Framework and oversees its implementation, including the processes established by management to identify, assess, measure, monitor, and manage the company's risks. The Risk Committee takes a holistic view of all risks, including credit, market, interest rate, and liquidity risks, as well as nonfinancial risks such as operational risk, which includes compliance and model risks, and strategic and reputational risks. The Risk Committee receives reports from management that help it monitor how effectively the company is managing risk.

Management oversight

The company's senior management includes our Chief Executive Officer and members of our Operating Committee, which includes, among other executives, the CEOs of each of our businesses, Chief Risk Officer, Chief Operating Officer, General Counsel, Chief Financial Officer, Chief Auditor, and Vice Chair of Public Affairs. Senior management is responsible for the business and management of the Company, including managing operations and implementing the Company's strategic plan.

The Enterprise Risk & Control Committee (ERCC) is a management-level governance committee that governs the management of all financial and nonfinancial risk types, including those associated with climate change. The ERCC receives information about risk and control events, addresses escalated risks and issues, actively oversees risk control, and provides regular updates to the Board Risk Committee regarding current and emerging risks and management's assessment of the effectiveness of the company's risk management program. Each line of business and enterprise function has a risk and control committee, which are management governance committees with mandates that align with the ERCC but with their scope limited to the relevant line of business or enterprise functions. The focus of these committees is on the risks that each line of business or enterprise function

Independent Risk Management (IRM) Climate Impact Risk Forum

In late 2020, we established an enterprise Climate Impact Risk Forum, led by IRM,[4] to oversee the company's approach to managing climate-related risks and associated risk management practices in alignment with our Risk Management Framework. The Forum is a cross-functional group that includes senior leaders from IRM, Social Impact and Sustainability, the Chief Operating Office, the Legal Department and Corporate Treasury. A designated climate change leader in IRM helps coordinate climate-related risk integration efforts across IRM. For more information see pages 25 through 26.

4. IRM is accountable for defining requirements and independently overseeing the identification, measurement, assessment, monitoring, aggregation, and reporting of risks.

generates and is responsible for managing, and the controls each line of business or enterprise function is expected to have in place. Oversight includes reviewing business activities with elevated levels of risk related to climate change considerations or other environmental matters. In addition to each risk and control committee, management governance committees dedicated to specific risk types and risk topics also report to the ERCC to help provide comprehensive governance of risks.

In 2018, we formed an internal ESG Disclosure Council comprised of senior leaders from the Controller's Division, the Legal Department, Finance, Corporate Risk, and Public Affairs. This Council helps us deliver on our commitment to transparency by providing senior-level accountability for ESG reporting and disclosures, as well as by considering ways to continue to enhance our ESG-related disclosures.

The company's Head of Sustainability and Corporate Responsibility is the primary member of management in the front line with accountability for enterprise initiatives related to climate and ESG, including providing direction to the Climate Change Working Group. Specialized sustainability teams within the Sustainability and Corporate Responsibility organization engage across businesses and functions in the front line, and with IRM, to evaluate and promote new, business-relevant climate and ESG-aligned capabilities.

Climate Change Working Group (CCWG)

This enterprise-level working group plays a critical role in providing input in the operationalization of initiatives designed to enhance our governance, strategy, and risk management efforts with respect to climate change, including calculating metrics for target setting. The CCWG strategically brings together a blend of senior management and specialized experts from across the Company to help us better understand the impacts of climate change relative to our business. Based on that understanding, the CCWG engages with representatives from the front line and IRM through strategic discussions and capacity-building sessions. Examples of initiatives in which the CCWG is engaged to provide insights include financed emissions accounting, transition scenario analysis, and specialized trainings on climate change competency for select employees.

Additional front-line business activities

Front-line working groups

In some instances, our lines of business may operate their own working groups to focus on relevant client segments, sectors, or geographies with respect to climate-related risks or opportunities. Members of front-line working groups routinely engage with trade associations, nongovernmental organizations, data service providers, nonprofits, and our peers to learn how asset owners, financial intermediaries, and individual companies are managing their climate change response.

- *Clean Energy Vertical.* This group, consisting of representatives from Corporate & Investment Banking (CIB), Commercial Banking (CB), and the Renewable Energy and Environmental Finance (REEF) teams, routinely engages with the CCWG on topics including financed emissions accounting and strategic discussions about science-based target setting for particular sectors such as electric power generation, transmission, and distribution. In addition, they work with our clients to support the development of clean energy generation and technology deployment.
- *Wells Fargo Asset Management (WFAM) Climate Change Working Group.* As a signatory to the UN Principles for Responsible Investment,* WFAM has designed climate analyses to support its investment teams across asset classes and sectors. WFAM has established a Climate Change Working Group specific to its institutional investment management business. This working group researches climate-related risk and opportunity by sector, and then uses this knowledge in various aspects of the investment or product design process.

This group is cross-functional, keeps current on the latest climate developments, and:

- Conducts independent research.
- Builds analytical frameworks to evaluate the impact of climate-related risks' impact on fundamentals and security value.
- Develops processes to consider climate scenarios together with forward-looking options, for integration into traditional financial analysis for investment purposes.

Members of front-line working groups routinely engage with trade associations, nongovernmental organizations, data service providers, nonprofits, and our peers to learn how asset owners, financial intermediaries, and individual companies are executing their climate change response.

Green Teams

Wells Fargo Green Teams are formal networks of environmentally conscious employees who engage in sustainability- and conservation-related projects at work and in their communities around the world. They are sponsored by certain senior leaders with accountability for sustainability performance and policy. Green Team members help improve our operational efficiency, conserve resources, and reduce environmental impacts, while engaging coworkers and raising awareness of sustainable opportunities at work and in the community. Green Teams support climate mitigation by educating colleagues on topics such as reducing and reusing materials in the office and alternative commuter opportunities. For example, certain Green Teams have established groups of bike enthusiasts to replace drive-alone commuting.

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Strategy

"As a leading financial services company, Wells Fargo has an opportunity to play a strategic role in the transition to a low-carbon economy and reducing the impacts of climate change. We seek to understand the near- and long-term climate-related risks and opportunities which can help us to build resiliency in our business and the communities in which we operate, and properly support our clients in their own climate and ESG efforts."

– Bill Daley, Vice Chairman of Public Affairs, Wells Fargo & Company

The effects of climate change are likely to impact nearly every aspect of the economy. That's why we pursue an integrated climate strategy that matches our understanding of the evolving financial system with the dynamic lens of the climate system. We monitor market trends, policy proposals, stakeholder dynamics, disclosure and transparency expectations, technological advancements, and more to inform our strategy. As outlined in the Paris Agreement, the long-term nature of climate change requires that we make strategic decisions to mitigate, adapt to, and maintain resilience against the adverse impacts of climate change over a range of time horizons.

We're leveraging our expertise and market position as we collaborate with our stakeholders on a number of efforts to collectively transition to a low-carbon, climate-resilient future, including through our efforts related to the following:

- Sustainable finance
- Clean technology and innovation
- Climate-related risk and opportunity dimensions
- Operational resilience
- Transparency and disclosure
- Stewardship and social impact

Sustainable finance

Deploying capital to accelerate and scale the next generation of financial products and services requires that we integrate climate, environmental, and social factors into our lending, securities, and investing products and services. Our financial products and services reside across our four operating segments — Consumer Banking and Lending, Commercial Banking, Corporate & Investment Banking, and Wealth & Investment Management — which are defined by type of product and customer segment.

The effects of climate change are likely to impact nearly every aspect of the economy. That's why we pursue an integrated climate strategy that matches our understanding of the evolving financial system with the dynamic lens of the climate system.

Wells Fargo has an opportunity to play a central role in providing sustainable finance capital and information to the marketplace to support a just transition to a low-carbon economy.

We acknowledge that trillions of dollars of sustainable capital flows will be required to adequately avoid, sequester, and redirect GHG emissions. Beyond that, we acknowledge that the impacts of climate change will require unprecedented investment in adaptation and resilience efforts to support the thoughtful and gradual transformation of legacy infrastructure and business models. Our approach is designed to combine new opportunities and focus areas with existing approaches by using science and financial innovation to deliver the level of ambition of the Paris Agreement across commercial, industrial, and consumer applications.

In 2018, we announced a commitment to lend or invest $200 billion to environmentally sustainable businesses and projects by 2030, with 50% of that amount earmarked for activities that directly support the transition to a low-carbon economy, including renewables, energy efficiency technologies, green buildings, green bonds, and low-emission vehicles. The remainder will support companies and projects focused on sustainable agriculture, conservation, recycling, resource management, and other environmentally beneficial initiatives. Our sustainable finance reporting methodology provides significant detail on how Wells Fargo defines sustainable finance and how we account for progress against our commitment. In the first two years of our sustainable finance commitment, we deployed approximately $49 billion in sustainable finance — 67% of which supported low-carbon opportunities.

In 2020, we established the Sustainable Finance Center of Excellence (SF – CoE) within our Social Impact & Sustainability function, to promote a greater focus on sustainable finance with our lines of business, leading NGO organizations, and others. This group works across the enterprise to support customer engagement on sustainable finance opportunities with subject matter expertise, competitive intelligence, and analytics. The SF – CoE will help with driving innovation around resilient infrastructure and communities, scaling clean technology, advancing transition finance in carbon intensive sectors, and catalyzing climate-aligned financing.

In 2020, we also established the CIB ESG Solutions group to provide clients with expertise and perspectives on sustainable finance topics and better access to a suite of products that can support them in their ESG efforts. CIB ESG Solutions is client-centric and drives innovation and best practices across CIB industry coverage teams. The group collaborates with product and risk partners to deliver debt capital markets, underwriting of green, social, and sustainability bonds, equity capital markets, lending, structured products, and mergers and acquisition advisory services for clients focused on investing in their energy transition, improving their environmental sustainability, and/or advancing their social impact.

Clean technology and innovation

Wells Fargo finances companies and projects that help propel the U.S. toward a low-carbon economy. We contribute to the advancement of renewable energy and clean technologies, serving a wide variety of companies in these rapidly growing sectors. We work with businesses around the world that manufacture, market, and develop clean technologies that enable sustainability and resource efficiency.

Wells Fargo clean technology and renewable energy products include:

- *Tax-equity investments and lease financing.* The Renewable Energy & Environmental Finance (REEF) team's approach to project finance is relationship based. We work with leading, high

quality, trusted developers, and collaborate with them on multiple projects. Between January 1, 2006 and December 31, 2019, Wells Fargo tax equity projects represented 10.3% of all U.S. solar and wind generation capacity.[5]

- *Corporate and investment banking (CIB) products and services.* CIB offers debt and equity capital markets, advisory services, treasury management, term loans, revolvers, project financing (construction/term), and derivative products to renewable energy and clean technology companies.
- *Asset-based lending.* Wells Fargo Capital Finance provides asset-based, revolving lines of credit, and term loans in support of high-growth emerging businesses in the renewable energy and other clean technology sectors looking to expand into the U.S.

Our clients include businesses that specialize in:

- Energy generation, including solar, wind, and biomass
- Energy storage
- Energy efficiency
- Water technologies
- Agricultural technologies
- Electric and low-emission vehicles
- Smart grid applications

5. This data is tracked by Wells Fargo's Renewable Energy and Environmental Finance (REEF) team and is compared to data published by the Solar Energy Industries Association and the American Wind Energy Association.

In addition to unlocking capital, we believe we have an important role to play in advancing sustainable finance innovation and opportunities. We are expanding our engagement with research and nonprofit organizations at the forefront of climate finance. For example, the Wells Fargo Innovation Incubator (IN²)* — a $50 million collaboration with the National Renewable Energy Laboratory — is designed to build a strong and influential brand in clean technology and sustainable agriculture. This collaboration focuses on engagement with universities and other incubator programs to accelerate the commercialization of clean technologies and sustainable agriculture. The IN² program has directly supported 46 early stage startups that, as of fall 2020, have raised more than $400 million in follow-on funding. Further, Wells Fargo Foundation philanthropic funds that support IN² have also supported hundreds of additional startups through our network of 60+ incubators and accelerators across the country.

Climate-related risks and opportunities

Given the physical impacts and transition aspects that will manifest as a result of climate change, climate-related risk and opportunity management are core elements of our climate change strategy.

Understanding these dimensions supports our strategic planning efforts to mitigate the effects of inaction, late action, or poor execution of adaptive and protective measures to respond to climate change.

In line with the TCFD guidance, we categorize climate-related risks and opportunities into transition and physical dimensions. Understanding these dimensions supports our strategic planning efforts to mitigate the effects of inaction, late action, or poor execution of adaptive and protective measures to respond to climate change. See the "Risk Management" section of this report for further detail about our approach to climate-related risk management.

Transition dimensions are variables that influence, result from, or are amplified by the transition to a low-carbon or net-zero future economy. We categorize them into three TCFD-aligned types — policy and legal, market and reputation, and technology. Transition dimensions offer insights into the costs and benefits of climate mitigation and adaptation that can be modeled against 1.5° and 2° Celsius reference scenarios. We are exploring science-based targets to understand the economic viability and feasibility of large scale transitions defined by policy, market, and technological dimensions.

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Transition dimensions of climate change

Dimension type	Impact and dependency channels	Focus areas
Policy and Legal	**Policy-based shifts:** Demand- and supply-side changes as measured through **policy intervention factors** that impact or depend upon policymakers, regulators, and lawmakers	• Climate, energy, and industrial policies (e.g., carbon compliance markets, emissions, and efficiency regulations) • Climate-related disclosures and regulatory expectations • Climate-related litigation and legal mandates for management of assets and liabilities
Market and Reputation	**Market-based shifts:** Demand- and supply-side changes as measured through **structural and behavioral factors** that impact or depend upon consumers, intermediaries, and producers	• ESG performance mandates for lending, investing, and securities • Green market potential (e.g., green, climate- and ESG-aligned products and services) • Screening and engagement strategies by investors • Voluntary carbon offsets, carbon transparency, and Circular Economy trends
Technology	**Technology-based shift:** Demand- and supply-side changes as measured through **operational factors** that impact or depend upon consumers, intermediaries, and producers	• Blockchain/remote sensor applications for value chain due diligence and product innovation • Clean technology, renewable energy, industrial hydrogen and CCS (carbon capture and storage) • Weatherization/disaster resilience

Physical dimensions are variables that result from, and are amplified by, the physics of climate change. We categorize them into two types — acute (sudden) and chronic (gradual). Physical dimensions can be monitored through catastrophe modeling, geospatial mapping, climatology and meteorology, and natural resource management. Physical dimensions offer insights into the costs and benefits of climate adaptation and resilience through a focus on fixed assets or infrastructure management. We seek to establish and monitor metrics and targets for these uncertainties with respect to how the human-built environment adapts to extreme weather events, prolonged resource scarcities, and longer-term climate hazards such as sea level rise.

Physical dimensions of climate change

Dimension type	Impact and dependency channels	Financial focus areas	Nonfinancial focus areas
Acute	• Air and water quality • Extreme winds/temperatures • Tropical cyclones • Wildfires • Zoonotic diseases	• Assets and liability revaluation • Direct/indirect emissions costs • Opex/capex for mitigation, adaptation, and resilience • Revenue disruption • Retained losses from non-insurability	• Early retirement of useful assets • Forced retrofitting due to resilience and adaptation needs • Human health and physical safety • Operational efficiency and disruptions • Resource scarcity
Chronic	• Air and water quality • Extreme hydrology and climate variability • Land use (forestry, agriculture practices) • Monsoons • Natural resource stress • Rising mean/volatile temperatures • Rising sea levels		

Climate finance applications

Climate-related dimensions guide the development of our climate finance capabilities. Below, we define the fields of climate finance and overlay them with climate dimension types to provide real-world examples of how we believe financing will need to evolve with markets, policies, technology, and greater understanding of the acute and chronic hazards associated with climate change. We know transition finance needs to include a focus on the following elements:

- *Climate change mitigation.* Reducing climate change by limiting sources of GHG emissions. A net impact can be achieved by shifting primary sources of energy to renewables such as wind, hydro, solar, biomass, or geothermal, or by innovating new ways to enhance carbon sinks. Mitigation may also include nature based solutions such as installing or restoring green infrastructure, carbon capture and storage, and negative emission technologies (NETs).
- *Climate change adaptation.* Adapting behaviors and structures to focus on solutions to the impacts and dependencies of climate change, and protecting ourselves from its most harmful and inevitable effects. This includes shifting production, consumption, and intermediate processes to support balance to the carbon cycle and natural resource management.
- *Climate change resilience.* Developing ways to enable human-built structures to withstand both acute and chronic hazards, including extreme weather events and prolonged resource scarcities.

Examples of transition dimensions in climate finance

Dimension type	Climate change mitigation: Prevent or neutralize GHG emissions	Climate change adaptation: Change behaviors or structures due to climate factors
Policy	Support development of more robust carbon markets (e.g., emissions trading, carbon tax coverage)	Companies and sectors set GHG emission reduction targets (e.g., net zero commitments)
Market	Increase in consumer or investor demand for low-carbon products and services such as renewable energy and storage	Increase in supply of reused consumer goods such as upcycled plastics
Technology	Support innovation in commercial building technologies that capture carbon	Support development of remote sensors for monitoring, reporting, and verification (MRV) of emissions

Examples of physical dimensions in climate finance

Dimension type	Climate change adaptation: Improve built environment defenses	Climate change resilience: Withstand built environment shocks
Acute	Green infrastructure deployment such as using bioswales to conduct stormwater runoff while removing pollution	Climate-resilient construction materials and innovative cooling/heating techniques to decarbonize dwellings and weatherize against extreme temperature variability
Chronic	Resource efficiency programs that sustain renewability of natural resources such as regenerative soils	Large-scale investment in flooding defense systems against sea level rise

Operational resilience

As an enterprise, we understand that we must focus on the energy and resource efficiency of our physical assets such as land, buildings, vehicles, and equipment to mitigate climate change, and adapt to and withstand shocks from transition and physical impacts.

We continuously work to improve efficiencies in our operations that help us minimize our environmental impact, reduce costs, enhance our employee experience, and set a positive example for the business community. Wells Fargo's 2020 operational sustainability commitments were aimed at increasing the operational efficiency of our assets.[6]

The progress we have made against our 2020 renewable energy goal is particularly noteworthy. In 2017, we achieved our goal of meeting 100% of Wells Fargo's global electricity needs with renewable energy,[7] primarily through the purchase of certified renewable energy certificates (RECs). These purchases were an important first step in our renewable energy strategy. The second step has been to leverage our purchasing strength to encourage development of new sources of green power. We do this through long-term agreements that support the addition of net new renewable energy capacity to the grid.

In addition to meeting 100% of our global electricity requirements with renewable sources, Wells Fargo achieved carbon neutrality for our 2019 operations (Scopes 1 and 2 GHG emissions). This milestone is a significant step in support of the collective transition to a low-carbon economy.

To assess the resiliency of our physical assets, we commissioned a third party to help us identify the physical risks of climate change to a number of our most critical properties, including data centers, operations centers, and facilities with high concentrations of employees, including those overseas. The results of this study help us further integrate a climate lens into our practices, including considerations such as where we locate new corporate properties and how we approach their construction, operations, maintenance, and decommissioning.

6. 2020 year-end data not available as of the publishing of this report.
7. Renewable energy sources include on-site solar, long-term contracts that support net new sources of offsite renewable energy, and the purchase of renewable energy certificates.

Transparency and disclosure

Through our transparency and disclosure efforts, we share and explore the climate-related risks and opportunities across our enterprise. The value TCFD provides is a consistent framework through which to align our climate disclosures related to risk management, governance, strategy, and metrics and targets. Using one of the TCFD's recommended metrics — total carbon emissions — we have begun the process of understanding data availability and prevailing methodologies and their limitations to estimate Scope 1, 2, and 3 upstream emissions associated with a selection of our financing portfolios. This will enable us to better evaluate where and how to engage certain clients in conversations about transition pathways.

Wells Fargo's financed emissions concentrations

Wells Fargo calculates and discloses our direct Scope 1 and indirect Scope 2, or operational emissions, as well as several relevant categories of Scope 3 emissions (see Metrics and Targets section). We recognize that the direct and indirect emissions of our customers — referred to as financed emissions — represent a far larger source of emissions than those from our own operations. Financed emissions fall within our Scope 3, downstream Category 15 emissions per the GHG Protocol.* Unlike a single client who has a narrower range within which to assess their value chain using the GHG Protocol, we, like our peers, must consider thousands of clients across millions of data points representing sources of carbon, nitrogen, methane, and other GHG emissions. The availability and quality of data necessary to be able to report and estimate these emissions is a common challenge for diversified financial institutions. We continue to explore various ways in which we could reduce GHG emissions associated with our activities, including our financing activities.

The table on page 19 is one possible representation of our Scope 3, financed emissions as of December 31, 2019, based on estimates of GHG emissions by North American Industry Classification System (NAICS) sector, which do not reflect either historical improvements or anticipated reductions in emissions based on future planned investments. With only a fraction of our clients reporting their GHG emissions, we expect that this model will change over time as the quantity and quality of emissions data improve. Specific to the utility sector, current emission levels are heavily driven by the 20% of domestic electricity that still comes from coal power generation. That level is down from 50% in 2000 as the sector has invested heavily in natural gas and renewable (solar and wind) generation capacity, which in turn has driven a decrease in U.S. GHG emissions

Partnership for Carbon Accounting Financials (PCAF)

Stakeholders have been seeking information about how we are identifying, assessing, and managing our Scope 3, Category 15 financed emissions. In 2018, we began the complex work of measuring financed emissions associated with our credit portfolios, including evaluating PCAF and other accounting methodologies for Scope 3, Category 15 financed emissions. With this TCFD report, we make our first disclosure which we consider to be generally consistent, with the spirit of PCAF's* mission. We wrote about our experience of conducting due diligence on one part of the PCAF methodology[8] in the pilot version launch of the Financial Sector Science-based Targets Guidance* by the Science-based Targets initiative (SBTi), another organization whose tools we are actively assessing.

While we recognize utility in PCAF's mission to create a single standard for financial institutions to calculate, report, and disclose financed emissions, we are continuing our work to mature our own internal carbon accounting program, including through our ongoing evaluation of methodologies such as PCAF and SBTi, and focused on evaluating data that is informative and integral to serve our efforts to address climate related risks and opportunities. We intend to continue to collaborate with our clients and industry partners to improve data quality and access for the broader financial sector.

8. Case Study: Wells Fargo - Testing PCAF Methodology, p. 42

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over the last two decades. Going forward, we expect domestic coal-fired generation to be phased out completely, largely replaced with renewables as utilities invest hundreds of billions of dollars in capital to transition their operating assets. In conjunction with that shift, we anticipate the emissions profile of the sector to decrease substantially. Wells Fargo is playing a leadership role in facilitating that transition for our clients.

We share this model output as a means to demonstrate our efforts to test the data, make estimates, and iterate our process to better understand our financed emissions through the amount of financing we provide to clients in various industries. This model output represents a snapshot in time and is not meant to serve as a final or even preliminary prioritization of the sectors to which we will provide financing going forward as part of our climate strategy. In time, we plan to narrow the data and explore our emissions at more granular levels that are aligned to our strategy in order to make progress with measuring and managing financed emissions. Ultimately, we aim to cultivate repeatable, consistent metrics for financed emissions that inform the complex undertaking of setting a science-based GHG reduction target. Our early view of financed emissions concentrations allows us to consider carbon and financial performance in the same view, which provides level and trend analysis required for reducing GHG emissions.

Wells Fargo financed emissions concentrations (as of 12/31/2019)

Commercial and industrial loans and lease financing by industry* and total carbon emissions (TCE)**

Industry Categories	Portfolio	Clients' Scope 1 TCE	Clients' Scope 2 TCE	Clients' Scope 3 Upstream TCE
Financials except banks	$117,312M			
Equipment, machinery and parts manufacturing	$23,457M			
Technology, telecom and media	$22,447M			
Real estate and construction	$22,011M			
Banks	$20,070M			
Retail	$19,923M			
Materials and commodities	$16,375M			
Automobile related	$15,996M			
Food and beverage manufacturing	$14,991M			
Health care and pharmaceuticals	$14,920M			
Oil, gas and pipelines	$13,562M			
Entertainment and recreation	$13,462M			
Transportation services	$10,957M			
Commercial services	$10,455M			
Agribusiness	$7,539M			
Utilities	$5,995M			
Insurance and fiduciaries	$5,525M			
Government and education	$5,363M			

Less TCE — More TCE

Data sources: Internal Credit Database, S&P Global Market Intelligence (*SPGMI). M=millions

*Industry categories are based on the North American Industry Classification System (NAICS) and include non-U.S. loans. For additional information, see Table 18 (Commercial and Industrial Loans and Lease Financing by Industry) in Management's Discussion and Analysis in our Annual Report on Form 10-K for the year ended December 31, 2019 (2019 Annual Report). The industry categories were updated in 2019 to align with industry groupings that our regulators use to monitor industry concentration risks.

**Per TCFD Guidance, total carbon emissions (TCE) are the absolute greenhouse gas emissions associated with a portfolio, expressed in tons of CO_2 equivalent. These emissions represent a one-year lookback period and reflect estimates for direct (Scope 1), indirect (Scope 2), and indirect upstream (Scope 3) emissions per GHG Protocol.

Note: Wells Fargo's Scope 3, Category 15 financed emissions included our client's Scope 1, Scope 2 and Scope 3 Upstream emissions in this analysis. These emissions represent a measure of climate-related transition risk to which the financing portfolios presented are potentially exposed.

All financial balances match the 10-K with the exception of "Other" category, which was purposefully removed from the carbon accounting model.

Methodology

Carbon accounting requires two sources of data — internal and external. The internal data used was based on the commercial, industrial, and lease financing balances presented in our 2019 Annual Report, which totaled approximately $360.4 billion in outstanding credit exposure. This dataset was already grouped into NAICS sector codes aligned to industry categories defined by the Office of the Comptroller of the Currency (OCC). We extrapolated emission factors using S&P Global Market Intelligence (SPGMI) datasets.

Once the emission factors were derived and scaled to dollar value factors, we multiplied them by our financial balances to determine estimated total carbon emissions or absolute GHGs associated with each industry category. Those final values are displayed and indexed in shades of purple representing concentrations of our clients' Scope 1, Scope 2, and Scope 3 Upstream emissions, which are aligned to the GHG Protocol. This methodology is aligned with the TCFD's recommended metric of total carbon emissions. It also was informed by our evaluation of various carbon accounting methodologies, including PCAF.

Stewardship and social impact

Collaborating with leading civil society groups, business and policy associations, peers, and other thought leaders helps us drive innovation and accelerate market-based solutions to the climate crisis. Stewardship and social impact across sectors and stakeholders are critical to meeting the level of ambition and progress it will take to achieve the Paris Agreement goals. To this end, we're working with communities, academia, industry, investors, customers, nongovernmental organizations, nonprofits, and suppliers to understand how we can all work together to accelerate the transition to a low-carbon economy while adapting to a warming planet.

Rocky Mountain Institute Center for Climate-Aligned Finance

The financial sector's role in the global sustainability agenda is a critical component that can help drive climate-aligned solutions with a growing focus on implementing the principles of the Paris Agreement in real economy sectors. In July 2020, the Rocky Mountain Institute (RMI) — a leading global clean energy nonprofit — joined with Wells Fargo, Goldman Sachs, Bank of America, and JPMorgan Chase to launch the Center for Climate-Aligned Finance. The Center will be independently administered by RMI and will collaborate with the financial sector to help develop integrated solutions and decision-making frameworks in partnership with industry clients in carbon-intensive sectors. This work will support decarbonization, as well as develop relevant metrics, tools, and other means to track progress toward net-zero lending and investing activities.

Coalition for Climate Resilient Investment

Wells Fargo joined this private-sector initiative in 2020 to help advance practical solutions that technically integrate climate-related physical risks into investment decisions for real asset infrastructure. We provide direct input as a producer into the initiative's Asset Design and Structuring working group, which builds a framework for integrating climate-related risk data into cash flow modeling practices. Other members include asset owners, asset managers, insurance companies, rating agencies, and engineering firms — providing a systemic view of climate risk transfer and transformation between financial and nonfinancial channels. We recently

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joined as a producer for the initiative's Financial Innovation working group, which uses insights from other working groups to formulate greenfield product strategies.

Bank 2030

We were one of six global banks that took part in the Bank 2030* project, which focused on accelerating the financing of the low-carbon economy and developing a vision for what a climate-progressive bank should look like by 2030. The University of Cambridge Institute for Sustainability Leadership conducted a benchmarking analysis of how leading banks are approaching plausible climate-related shifts in the economy leading up to 2030. Based on that study, the Institute authored a report examining the most likely cross-sector technology and policy trends driven by adoption of the Paris Agreement and the UN Sustainable Development Goals.

Resilient Communities Initiative

In 2017, Wells Fargo and the National Fish and Wildlife Foundation launched the Resilient Communities Program — a four-year initiative supported through a $12 million contribution from Wells Fargo that will be used to address the mounting threats of floods, droughts, rising sea levels, and longer hurricane and wildfire seasons. By investing in green infrastructure and providing conservation and resilience training for community leaders, the funded projects aim to enhance the environmental protections that local ecosystems naturally provide. The grants will be leveraged with other private and public funds with an expected total investment of $24 million. Through this partnership and community resiliency projects, we anticipate the following outcomes (partial list):

- 180,000 acres of land restored and/or improved with land management
- 12,000 acres of land protected under conservation easements
- 13,000 acres of wetlands restored
- 71,000 trees planted
- 3 million gallons of storm water prevented annually
- 137,000 community members engaged in community resiliency efforts

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Powering change in communities

With help from Wells Fargo, GRID Alternatives has grown into a national leader in making renewable energy technology and job training accessible to underserved communities. In 2018, GRID and Wells Fargo launched the Tribal Solar Accelerator Fund to catalyze the growth of solar energy and expand solar job opportunities in Tribal communities across the U.S. The Spokane Tribe's Children of the Sun Solar Initiative was the first project selected for TSAF funding. This 650-kilowatt solar initiative, spearheaded by the Spokane Indian Housing Authority, was born in response to the 2016 Cayuse Mountain Fire that burned 18,000 acres on the Spokane reservation and cut power to the tribe's main administrative buildings and water supply. For the Spokane Tribe, solar represents not just a way to save money and create new economic opportunity but a chance to strengthen community resilience and take steps toward self-sufficiency.

See Wells Fargo Stories for more examples of our environmental impact.

Supporting climate resiliency among Native American and Alaska Natives

Climate-aligned outcomes are particularly important for those communities and populations that are most impacted by climate change but least equipped to confront it. Native Americans and Alaska Natives are particularly vulnerable due to a variety of cultural, economic, policy, geography, and historical factors. See below for examples.

Expanding water access in climate-threatened communities

Founded in 1995, Red Feather Development Group* is a 501(c)(3) nonprofit organization that partners with Tribal Nations to develop and implement sustainable solutions to housing needs within their communities. Red Feather serves the Hopi and Navajo Nations and works closely with government officials, community members, housing professionals, and volunteers within each community to manage its programming. The Wells Fargo Foundation has supported Red Feather since 2008, and most recently has supported Red Feather's Native Home Resource Network — a case management program that helps families address critical housing needs such as installing heating systems, fixing leaky roofs, reinforcing insulation, providing stable power, and more.

The Hopi and Navajo Nations live in a part of the country exposed to extreme hydrological stresses. For centuries, Navajo and Hopi families have had to collect their own water. The health impacts of water insecurity are especially being felt during the outbreak of COVID-19. The Navajo and Hopi Nations have observed one of the highest per-capita infection rates in the country along with significant loss of life. One of the best preventive measures for stopping the spread of COVID-19 and staying healthy is thorough handwashing, yet without dependable access to water this becomes particularly challenging. In response, Wells Fargo Community Giving awarded Red Feather an emergency grant to help in the deployment of high-capacity handwashing stations for Navajo and Hopi families without access to running water in their homes.

Risk management

"We have ongoing efforts underway to drive change by strengthening risk management and compliance throughout our company. Managing risk effectively is a fundamental part of what we do, and closely monitoring risks related to climate change is critical for our business."

– Mandy Norton, Chief Risk Officer, Wells Fargo & Company

At Wells Fargo, every employee has a role in managing risk. Our Risk Management Framework describes how the company manages and governs its risk, including senior management's responsibility to set the tone at the top by supporting a strong risk management culture. The Board holds senior management accountable for establishing and maintaining the right culture and effectively managing risk. Wells Fargo views climate change as a global challenge that presents significant impacts for businesses and communities around the world, and we are committed to ensuring climate-related risks and opportunities are appropriately identified and managed within our business.

Wells Fargo's Environmental and Social Risk Management (ESRM) Framework provides information and transparency on the company's approach to managing environmental and social risks, including those related to climate change. Our ESRM Framework is aligned to the company's Risk Management Framework, which sets forth the core principles on how the company seeks to manage and govern its risk. The risks the company takes include financial, such as credit, interest rate, market, liquidity and funding risks, and nonfinancial, such as operational, including company and model risks, strategic, and reputation risks. Environmental and social issues, including climate change, can manifest across risk types. We continue to refine our approach to integrating climate-related risks into our risk management programs and assessing how the TCFD categories of transition and physical risk may manifest across the risk types due to climate change dimensions.

Examples of potential climate-related impacts by risk type

Risk type	Physical	Transition
Credit	Credit quality deterioration due to physical damage to obligor collateral	Credit quality deterioration due to declining economic condition of obligors in carbon-intensive industries
Market	Negative impact to underlying physical assets	Market dysfunction or unusual levels of price volatility
Operational	Increased incidence or severity of natural disasters impacting bank branches, offices, or infrastructure	Impact of regulatory or legislative changes on company or vendor operations
Strategic	Business plans do not sufficiently account for impact of environmental change	Business plans do not sufficiently account for impact of client industry change or of direct regulatory/legislative change
Reputational	Stakeholder opinion change based on management of natural disasters impacting bank branches, offices, or infrastructure	Stakeholder opinion change based on the bank's climate-related commitments or lack thereof, or based on management of climate-sensitive client portfolio

Identifying, assessing, and managing climate-related risks

The Environmental and Social Risk Management (ESRM) team, which is part of our Public Affairs organization, maintains the ESRM Framework and other policies related to environmental and social issues, including enhanced due diligence for certain industries that are considered to be higher risk. ESRM evaluates a variety of criteria including the client's intended use of the financing proceeds, the industry and geographical locations of the client's operations, and the client's ability to manage current and potential future environmental and social impacts. This assessment enhances the Bank's understanding of the client's ability to manage potential future environmental impacts to their business operations and factors that could impact the client's future credit profile.

Additional due diligence occurs at the point of lending or securities origination to help ensure that we integrate environmental and climate considerations directly into credit transactions with clients in climate-sensitive sectors. Once ESRM due diligence is complete — and we perform any additional due diligence that may be required — we assign an overall Environmental and Social Risk Rating (ESRR) of "low," "moderate," "high" or "critical" to each client or transaction under review. Clients with an overall ESRR of "critical" are escalated for credit decision, and clients with an overall "high" ESRR may be escalated. Approximately 5%-10% of companies reviewed by ESRM receive "high" or "critical" ESRR and are part of the corporate watch list.

Front-line business units are involved in developing the ESRM policies and practices to address managing risks for in-scope[9] sectors. Our front line conducts a carbon price sensitivity analysis that is included in the primary underwriting memo at least annually for all borrowers that produce, generate, transmit, and distribute fossil-fuel-sourced power. In many cases, this includes specific considerations for the financial risks associated with carbon intensity in light of emerging policies, regulations, and/or observable market-based sentiments.

We adopted the Equator Principles (EP) in 2005 and joined its Steering Committee in 2017. This allowed us to directly contribute to the development of EP4,* through which Wells Fargo and 110 other financial institutions committed to complying with climate-related risk and disclosure requirements aligned to the TCFD framework and related to in-scope transactions.

Risk appetite

Management defines and the Board approves the company's risk appetite, which is the amount of risk the company is comfortable taking given its current level of resources. Risk appetite defines which risks are acceptable and at what level and guides business and risk leaders. Risk appetite boundaries are set within the company's risk capacity. The company's risk appetite is articulated in a statement of risk appetite, which is approved at least annually by the Board. The company continuously monitors its risk appetite, and the Board reviews periodic risk appetite reports and analysis. In adherence to our company-wide ESRM Policy,[10] Wells Fargo currently does not directly or indirectly provide new financing or is in the process of exiting existing relationships or reducing our exposure as contracts expire for certain prohibited activities. Examples include:

- Coal industry, including companies deriving profits from mountaintop removal coal operations, or any project associated with the expansion of an existing or development of a new coal mine or new coal-fired power plant.
- Equator Principles in-scope transactions in the Alaska Arctic Region.

Integration into overall risk management

The company has three lines of defense to manage risk: the front line, Independent Risk Management, and Internal Audit. Each line of defense has distinct risk management responsibilities, and every employee has a role to play in managing risk at the company.

- *Front line* – The front line, which comprises line of business and certain enterprise function activities, is the first line of defense. In the course of its business activities, the front line identifies, measures, and assesses, controls, monitors, and reports on risk generated by or associated with its business activities and balances risk and reward in decision-making while operating within the company's risk appetite.
- *Independent Risk Management (IRM)* – IRM is the second line of defense. It establishes and maintains the company's risk management program and provides oversight, including challenge to and independent assessment of, the front line's executions of its risk management responsibilities.
- *Internal Audit* – Internal Audit is the third line of defense. It acts as an independent assurance function and validates that the risk management program is adequately designed and functioning effectively.

9. Through September 2020, in scope sectors included: oil and gas, coal and metal mining, arms and armaments, consumer finance, and Equator Principles transactions.
10. Name changed to Environmental and Social Impact Management Policy in 2020

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Management of climate-related risks requires clearly defined roles and responsibilities and we are laying the groundwork to establish effective structures to support this focus and to drive outcomes. While environmental and social risks, including climate-related risks, can impact various risk types, the consideration of these risks is an important component of our reputation risk oversight and management processes. We expect climate change factors to increasingly impact other risk types and for climate change considerations to be further integrated into our processes for assessing various risks as our understanding of climate change impacts continues to grow and evolve over time.

- *Climate Impact Risk Forum* – We have established an enterprise Climate Risk Impact Forum to oversee the Company's approach to managing climate-related risks and associated risk management practices in alignment with our Risk Management Framework. The Forum is a cross-functional group that includes senior leaders from IRM, Social Impact and Sustainability, the Chief Operating Office, The Legal Department, and Corporate Treasury.

We established the Forum in late 2020 and it will begin meeting quarterly in 2021. In late 2020, a Climate Change Leader was appointed in IRM to help coordinate climate risk integration efforts across IRM and chair the Climate Impact Risk Forum; this role reports to the Chief Strategic Enterprise Risk Officer.

We expect climate change factors to increasingly impact other risk types and for climate change considerations to be further integrated into our processes for assessing various risks as our understanding of climate change impacts continues to grow and evolve over time.

We have also established a Climate Impact Risk Working Group that supports the Forum's mandate and includes representation from the various risk type areas, business-aligned Chief Risk Officer functions, enterprise risk programs, Environmental and Social Risk Management, Corporate Treasury, and the Chief Operating Office function and will begin meeting biweekly in 2021. This Working Group is responsible for developing approaches for further integrating climate-related risk considerations into our risk management programs and practices, assessing risk exposures, keeping informed of emerging climate research and periodically reporting to, and seeking input from, the Climate Impact Risk Forum.

- *Risk identification and assessment* – Risk identification is the process of identifying current and emerging risks. Risk assessment refers to the determination of the quantitative or qualitative level of specific risks and the impact these risks have on the Company. Risks include those expected under normal operating conditions, as well as risks that may manifest under stressed environments. Climate-related risks are identified within the company's Enterprise Risk Inventory through the established Enterprise Risk Identification and Assessment (ERIA) process.
- *Risk monitoring and reporting* – The company recognizes the range of inherent and potential climate-related risks associated with its current exposures to sensitive industries, with impacts across the various risk types including credit, strategic, and reputation risk. In addition to monitoring our exposures to sensitive industries, we continue to enhance our risk monitoring and reporting frameworks to include an expanded suite of metrics, key risk indicators, and qualitative assessment criteria designed to monitor and report on the company's climate-related risks.

We are committed to fostering an effective risk and control environment to manage risks, including those related to climate change. As we review and modify our risk management processes in the normal course of business, we expect to further incorporate climate considerations into our risk management programs.

The impacts of climate-related risks on the financial sector are increasingly an area of focus for governments and regulators globally. We are actively monitoring for potential future governmental policy actions that seek to address climate change. We engage with policymakers to understand the policy landscape and potential developments that may impact our business or clients in the future. This informs our approach to managing climate-related risk and our efforts to further integrate climate-related risk considerations into our risk management programs.

We are committed to fostering an effective risk and control environment to manage risks, including those related to climate change. As we review and modify our risk management processes in the normal course of business, we expect to further incorporate climate considerations into our risk management programs, including enterprise risk programs, portfolio management, and risk reporting. We aim to continue to improve our ability to identify and assess climate-related risks over time and expect to continue to refine our approach as we strengthen our understanding of how climate change impacts our business activities, processes, and risks.

Climate scenario analysis

Climate scenario analysis tools and models frame our forward-looking exploration of climate-related risks and opportunities. The tools and models use financial and nonfinancial data to produce outputs that we connect to financial and risk use cases. These use cases are guided by our evolving understanding of the transition and physical dimensions of climate change that are relevant to our products and services. For example, a forward-looking scenario might describe a plausible future state in which the Earth's climate system adversely changes over time. Such a scenario would frame our analysis of the transition pathways that result in the plausible future state and helps us determine how best to optimize our financing activities to meet particular targets, which can be business- or science-based.

The Social Impact and Sustainability team conducts data and technology exploration, model development, data analysis, and use case alignment. The insights and inferences we can gain from exploring scenarios on investing, lending, and securities portfolios inform our front line and IRM on how current and future financial portfolios might perform across mitigation, adaptation, and resilience vectors. This approach aligns real economy monitoring to internal planning cycles.

Top-down models

We leverage top-down models to give us insights into climate, energy, and socioeconomic systems providing plausible scenarios of operating environments overlaying our products and services. For example, we collaborate with Pacific Northwest National Laboratory (PNNL) to use their open-source Global Change Analysis Model (GCAM). The GCAM enables users to run external scenarios from the Intergovernmental Panel on Climate Change (IPCC), the International Energy Agency (IEA), and the International Institute for Applied Systems Analysis (IIASA).

GCAM gives us a consistent representation of developments in the economy, energy, agriculture, land use, water, atmosphere, and climate. It covers 32 geopolitical regions, which include 384 land regions, and 235 water basins. It also provides an integrated global climate model that addresses residential and commercial building, power, transport (freight and passenger), and energy sectors. It uses input assumptions about population and labor productivity, technology performance and availability, depletable and renewable material resources, energy resources, land and other natural characteristics, and climate policies. It then provides conditional forecasts of the future prices and quantities for the energy, agriculture, land, and water markets, as well as international trade.

We are conducting due diligence on the Science Based Targets initiative (SBTi) models which use external scenarios as inputs and project how emissions might change over time. Using GHG accounting data, we are able to explore SBTi models in our internal analytical environment, where we also explore the GCAM, and we will be able to apply additional due diligence to other relevant climate scenario tools from our thought leadership networks.

Bottom-up models

We leverage bottom-up models as tools that give us insights into specific portfolios, companies, and assets that are exposed to changes in the climate. For example, in 2018 we partnered with management consulting firm Oliver Wyman and our U.S. peers to pilot a climate scenario analysis tool to measure the impact of various business risk scenarios on the credit quality of oil and gas companies exposed to transition-related risks. Business-based scenarios included sharp shifts by consumers toward electric vehicles as well as the gradual phase-in of carbon taxes that bear impacts on our clients' operating margins. The reference portfolio for the scenario tool, whose ultimate outputs were scenario-adjusted credit ratings, relied on datasets for publicly traded energy companies.

Metrics and targets

"Prioritizing streamlined data collection and high level accuracy and analysis allows us to set strong goals and drive accountability. We are focused on where the data shows opportunities and where we can make an impact."

– **Nate Hurst, Head of Social Impact and Sustainability, Wells Fargo & Company**

The TCFD recommendations include various metrics such as total carbon emissions, weighted average carbon intensity, and carbon footprint. At Wells Fargo, we are exploring these metrics through study of the transition and physical dimensions of climate change on our business and operations.

Scope 1 emissions	**Direct** Emissions from Wells Fargo-owned or operated assets	Scope 2 emissions	**Indirect** Emissions from purchased energy sourced by hydrocarbons	Scope 3 emissions	
				Upstream Emissions from our supply chain	**Category 1** **Purchased goods and services** Reported in ESG goals and performance data
					Category 2 **Capital goods** Reported in ESG goals and performance data
					Category 3 **Fuel and energy-related activities** Reported in ESG goals and performance data
					Category 4 **Upstream transportation and distribution** Not relevant
					Category 5 **Waste generated in operations** Reported in ESG goals and performance data
					Category 6 **Employee business travel (air travel only)** Reported in ESG goals and performance data
					Category 7 **Employee commuting** Reported in ESG goals and performance data
					Category 8 **Upstream leased assets** Not relevant
				Downstream Other emissions including those associated with our products (e.g., financed emissions)	**Category 9** **Downstream transportation and distribution** Not relevant
					Category 10 **Processing of sold products** Not relevant
					Category 11 **Use of sold products** Not relevant
					Category 12 **End of life treatment of sold products** Not relevant
					Category 13 **Downstream leased assets** Not relevant
					Category 14 **Franchises** Not relevant
					Category 15 **Investments** Relevant, not currently reported

Please see our ESG Goals & Performance Data 2020 and our 2020 CDP Response to access our comprehensive data set for nonfinanced emissions. We currently report Scope 3 categories that are relevant and for which Wells Fargo has calculated emissions (see table above). We are currently working on carbon accounting to quantify the remaining relevant upstream and downstream emissions, including a prioritized selection of our Scope 3, Category 15 financed emissions. Wells Fargo's GHG emissions for Scope 1, 2, and 3 upstream data are independently verified.*

Select operational and financial sustainability goals

Goal	2019 Results
Provide $200 billion in financing to sustainable businesses and projects by 2030, including clean/renewable energy, green buildings, and green bonds	Provided ~$26 billion to sustainable businesses and projects, bringing our cumulative total to ~$49 billion (since 2018) of our $200 billion commitment
Reduce energy consumption 40%	Reduced consumption 38% (from 2008 baseline)
Purchase renewable electricity to meet 100% of our global operations needs by the close of 2017	Met 100% of our global electricity needs with renewable energy sources (since 2017)[11]
Reduce greenhouse gas emissions 45%	Achieved a 52% reduction (from 2008 baseline). Purchased carbon offsets to achieve carbon neutrality for our 2019 operations.
Achieve LEED® certification for 35% of buildings (by leased and owned square footage)	30% LEED-certified square footage (2019)
Reduce water consumption 65%	61% reduction (from 2008 baseline)
Reduce total waste stream 50%	46% reduction (from 2010 baseline)

11. Renewable energy sources include on-site solar, long-term contracts that support net new sources of offsite renewable energy, and the purchase of renewable energy certificates (RECs).

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Outlook

Wells Fargo has made substantial progress toward understanding the implications of climate change for our business, customers, and communities. We anticipate making further progress in the following areas over the next two years:

Financed emissions

We are evaluating both internal and external climate-related measurement methodologies to determine meaningful and enduring approaches to calculate our financed emissions. Many gaps exist in our ability to calculate the financed emissions of our portfolio due to the lack of comprehensive, integral data. We support efforts to improve the monitoring, reporting, and verification of GHG emissions through data-driven innovations such as machine learning and artificial intelligence, remote sensors and satellites, and advanced geospatial image processing. These innovations will eventually allow for greater carbon transparency in everyday economic activities. In addition to technological solutions, Wells Fargo is exploring industry-led methodologies for measuring and disclosing financed emissions. One specific methodology under consideration is PCAF* which aims to create a single standard for financial institutions to calculate, report, and disclose financed emissions. We intend to make a final decision on whether joining PCAF is the appropriate path for our business and stakeholders in 2021.

Disclosure and frameworks

We expect our ESG or nonfinancial disclosures to continue to evolve as disciplines mature and as we aim to meet stakeholder expectations for robust disclosure. Utilizing frameworks to standardize climate-related disclosure supports the accountability aspect of long-term, effective climate action. We are guided by mandatory and voluntary disclosure frameworks as we engage in a meaningful dialogue that provides our stakeholders with consistent, standardized information.

Risk management

We are committed to fostering an effective risk and control environment to manage risks to our business. We expect that the management of climate-related risks will be of increasing importance in the future as part of an effective risk and control environment for our business. We plan to continue to integrate climate change considerations into our risk management processes as we strengthen our understanding of how climate change impacts our business activities, processes, and risks.

We are evaluating both internal and external climate-related measurement methodologies to determine meaningful and enduring approaches to calculate our financed emissions.

Goal setting

As we are developing this report, we are still determining progress against our 2020 corporate responsibility goals. We are in the process of establishing a new set of robust long-term ESG goals, including those related to climate change and reducing GHGs. Learnings from our work to quantify our Scope 3 financed emissions will help inform our ongoing efforts to set a science-based target and develop specific commitments, including with respect to financed emissions, consistent with the Paris Agreement, including its goal of holding the increase in global average temperature to well below 2° Celsius above preindustrial levels and pursuing efforts to limit the temperature increase to 1.5° Celsius above preindustrial levels recognizing that this would significantly reduce the risks and impacts of climate change. These commitments may include, among other things, our current efforts to collectively transition to a low-carbon, climate resilient future, as discussed in the Strategy section.

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Customer preferences and engagement

In response to rapidly changing customer preferences, we consider the climate when developing new products and services across our lending and investing businesses. We will continue to support and engage with our clients and communities on their transition pathways, evolving practices, and strategies for addressing potential climate impacts to their businesses.

Scenario analysis

Our participation in climate scenario analysis pilots demonstrated to us that it is possible to evaluate future financial impacts associated with transition dimensions of climate change. We will continue to engage with external parties in developing scenario tools that are relevant for internal decision-making practices such as budget, strategic, risk, and financial planning.

Environmental and social justice

Environmental and social justice and sustainability are interdependent. Across America, we can see the disproportionate impact of environmental and health hazards on communities of color and low-income communities. During 2021, one of Wells Fargo's priorities is to factor environmental considerations into our commitment to racial and social equity.

About this report

About Wells Fargo

Wells Fargo & Company (NYSE: WFC) is a leading financial services company that has approximately $1.9 trillion in assets and proudly serves one in three U.S. households and more than 10% of all middle market companies in the U.S. We provide a diversified set of banking, investment and mortgage products and services, as well as consumer and commercial finance, through our four reportable operating segments: Consumer Banking and Lending, Commercial Banking, Corporate and Investment Banking, and Wealth and Investment Management. Wells Fargo ranked No. 30 on Fortune's 2020 rankings of America's largest corporations. In the communities we serve, the company focuses its social impact on building a sustainable, inclusive future for all by supporting housing affordability, small business growth, financial health and a low-carbon economy.

About the TCFD

The TCFD Framework* supports the development of voluntary climate-related financial disclosures that convey a range of practices with respect to climate-related risks and opportunities. Integrating the nonfinancial dimensions of climate change into traditional finance and risk management toolsets is challenging, but we believe it is critical to meet those challenges so we can provide better insights to decision-makers looking to efficiently allocate capital, protect assets, and support sustainable development. Wells Fargo's inaugural TCFD Report aims to capture the comprehensive, company-wide approach we are taking in response to the urgent, uncertain, and systemic crisis of human-induced climate change.

Forward-looking statements

This Report contains forward-looking statements. Forward-looking statements can be identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects," "target," "projects," "outlook," "forecast," "will," "may," "could," "should," "can" and similar references to future periods. Forward-looking statements are not based on historical facts, but instead represent our current expectations and assumptions regarding our business, the economy, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict. You are urged to not unduly rely on forward-looking statements, as actual results could differ materially from expectations. Forward-looking statements speak only as of the date made, and we do not undertake to update them to reflect changes or events that occur after that date. For more information about factors that could cause actual results to differ materially from expectations, please refer to our reports filed with the Securities and Exchange Commission (SEC), including the discussion under "Forward-looking Statements" and "Risk Factors" in our 2019 Annual Report on Form 10-K, and in our 2020 Quarterly Reports on Form 10-Q, each as filed with the SEC and available on its website at www.sec.gov.*

Securities and Exchange Commission filings

Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to these reports are available free of charge on our website as soon as practical after they are electronically filed with, or furnished to, the SEC. These reports and amendments also are available free of charge on the SEC's website at www.sec.gov.*

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EXHIBIT C

Climate Change

Wells Fargo believes that climate change is one of the most urgent environmental and social issues of our time. Numerous scientific assessments including from the UN Intergovernmental Panel on Climate Change have consistently found that large reductions in greenhouse gas (GHG) emissions are needed to prevent the worst climate-related impacts, including risk to human life, livelihood, and long-term viability of communities.

We support the principles of the Paris Agreement, including its goal to keep warming well below two degrees Celsius. As one of the largest financial institutions and employers in the U.S., we are committed to doing our part to embed sustainability across the enterprise, to leverage our expertise and market position to accelerate sustainable technology innovation, and to deploy capital and collaborate with a range of stakeholders to advance a low-carbon future and climate-resilient development. Beyond our own actions, we believe that policy action is essential to make meaningful progress against the Agreement's goals.

Our Approach

Our sustainability efforts and prioritization of environmental, social, and governance (ESG) performance align with our view of corporate purpose and a responsibility to all of our stakeholders, including customers, employees, suppliers, investors, communities, and the environment. We are building a robust approach to addressing climate-related risks and opportunities that we believe will generate long-term value for the company and our stakeholders.

Our efforts are integrated and managed companywide. They include:

- deploying capital to support a responsible transition to a low-carbon economy;
- strong environmental and social risk management (ESRM) practices;
- transparency and disclosure of our progress, including working to measure the carbon footprint of our credit and investment portfolios;
- enhancing efficiency and resiliency in our physical assets; and
- collaborating with leading organizations, our peers, and other thought leaders to drive innovation and accelerate solutions to the climate crisis.

Leaders and team members within lines of business and enterprise functions have accountability for advancing and meeting established sustainability-related commitments — including 2020 goals related to operational sustainability, culture and community engagement, and our 2030 sustainable finance commitment. The Corporate Responsibility Committee of the Board of Directors provides oversight for this work.

Deploying capital to accelerate the transition to a low-carbon economy

Across our lines of business and other enterprise functions, we are deploying and unlocking capital to advance a low-carbon economy and help address the impacts of climate change on our customers and communities. In 2018, Wells Fargo announced a commitment to lend or invest $200 billion to environmentally sustainable businesses and projects by 2030, with 50% focused on transactions that directly support the transition to a low-carbon economy, including renewables, energy-efficiency technologies, green buildings, green bonds, and low-emission vehicles. The remainder will support companies and projects focused on sustainable agriculture, conservation, recycling, resource management, and other environmentally beneficial initiatives. Our sustainable finance reporting methodology is publicly available and provides significant detail as to how Wells Fargo defines sustainable finance and accounts for progress with respect to our commitment.

Beyond unlocking capital, we believe we have an important role to play in advancing sustainable finance innovation and opportunities. We are increasing engagement with research and nonprofit organizations at the forefront of climate finance. As an example, the Wells Fargo Innovation Incubator, a $30 million collaboration with the National Renewable Energy Laboratory, has become a renowned brand in clean technology and sustainable agriculture. This initiative involves engagement with universities and other incubator programs to accelerate the commercialization of clean technologies and sustainable agriculture.

A signatory to the UN Principles for Responsible Investment, Wells Fargo Asset Management (WFAM)[1] embeds climate analysis into its investment process across asset classes and sectors. WFAM's Climate Change Working Group researches and integrates climate risk analysis into facets of the investment process to help understand and assess the emerging risks and opportunities presented by climate change and adaptation.

[1] *Wells Fargo Asset Management (WFAM) is a trade name used by the asset management businesses of Wells Fargo & Company. WFAM includes Wells Capital Management and Galliard Capital Management, both registered investment advisers that are PRI signatories in their own right.*

Strong environmental and social risk management practices

A responsible transition to a low-carbon economy requires that certain industries diversify their business models to adapt to a low-carbon future and retrain workers to transition to jobs in new and emerging industries. We take a risk-based approach with our customers across the energy industry and other sectors that are or may be impacted by climate risk – physical, transition, or other types of risk. We conduct additional due diligence in these industries to evaluate our customers' history with and approach to stakeholder engagement, and their commitment to protecting community health, safety, and security, and the environment. After ESRM due diligence is completed — and additional due diligence, if required — an overall Environmental and Social Risk Rating (ESRR) of "Low," "Medium-Low," "Medium," "Medium-High," or "High" is assigned by ESRM to each client under review. Clients with an overall ESRR of "High" are escalated for decision, and clients with an overall "Medium-High" ESRR may be escalated. Approximately 5% of companies reviewed by ESRM receive "High" ESRR.

The global economy currently relies on a diverse mix of energy sources. Through our enhanced due diligence efforts and evolving understanding of best practices, we actively engage with our customers across the energy sector – seeking to understand their climate strategies, efforts to adapt in a carbon-constrained economy, and management of GHG emissions, and supporting their efforts to transition to a low-carbon future. We also participate in a number of utility and energy industry associations, including the Edison Electric Institute, to encourage consistent disclosure and sharing of best practices with respect to climate issues.

Across the conventional energy value chain, we seek to make informed credit and business decisions by conducting sensitivity analyses on our customers and portfolios to understand the respective environmental and social risks associated with their businesses. Wells Fargo's ESRM policies and framework specify our approach to managing those risks and engaging customers.

As an example, for transactions involving regulated corporate utility borrowers engaged in the production, generation, transmission, or distribution of electricity, and/or the transmission and distribution of natural gas, Wells Fargo ESRM applies a robust carbon risk tool to help us assess carbon risk in our credit underwriting for those customers. The 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. Given the numerous variables to consider case-by-case, the modularity of the tool allows for customizable analyses for each customer and for their particular circumstances.

In addition to setting forth our assessment and engagement approach with customers in carbon intensive sectors and those with elevated climate risk, the ESRM Framework outlines our risk-based financing restrictions. Specifically,

- We do not directly finance mountaintop removal (MTR) coal mining projects, nor do we extend credit or facilitate capital-markets transactions to coal producers engaged primarily in MTR mining.
- Wells Fargo will continue to limit and reduce our credit exposure to the coal mining industry.
- We will not finance Equator Principles in-scope transactions[2] in the Alaskan Arctic region.

[2] https://equator-principles.com/about/

Climate Change Working Group

Managing climate risk requires that we begin to identify the short- and long-term impacts on individual components of our business, as well as on a regional and enterprise level. In 2019, Wells Fargo established a cross-functional Climate Change Working Group, which leverages internal expertise, leading climate science and assumptions, and external resources to enhance understanding of the implications of climate change on our business and to make recommendations to company and line-of-business leaders with regard to policies and procedures that advance climate-risk management across the enterprise in a coordinated and strategic manner.

Climate scenario analysis modeling pilot initiative

It is critical to understand how various potential and predicted climate scenarios may impact different industries, geographies, and portfolios. In 2018, Wells Fargo collaborated with peer firms and a global management consultancy to pilot a climate scenario analysis. The purpose of the project was to evaluate how climate risk scenarios could impact the credit quality of oil and gas companies and to understand sensitivities of borrowers' creditworthiness in the context of a climate transition. Such projects help us build capabilities around climate scenario analysis, which help inform our strategies, decision-making, and risk management.

Transparency and disclosure

We recognize that our stakeholders, including investors, want more information about how we are managing climate-related risks and opportunities. In addition to the ongoing disclosure of our energy usage and greenhouse gas emissions, we have endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) — a framework for companies and other organizations to develop more effective climate-related financial disclosures — and are actively working to report using the TCFD framework.

To support best practices in transparency and disclosure, in 2018, we began to implement our commitment to measure the carbon intensity of our credit portfolio. We are engaging with a number of standards bodies to explore existing and evolving measuring and reporting methodologies such as Partnership for Carbon Accounting Financials (PCAF) and Paris Agreement Capital Transition Assessment (PACTA) to fulfill our commitment to measure and report our financed emissions. The ongoing work will enable us to better evaluate risks and opportunities associated with our Scope 3 financed emissions[3], run additional scenario analyses, and inform our efforts to evaluate and support customers in carbon intensive industries as they make the transition to a low-carbon economy.

Wells Fargo believes that measuring the carbon intensity of our credit portfolio will allow us to provide a more holistic view of the indirect impact we are having through our lending. While data availability presents challenges in this work, we hope to be able to identify concentrations of high-carbon financing that may not be currently recognized, or otherwise validate our increased attention to customers in industries commonly recognized as carbon intensive (see our ESRM Framework). Ultimately, we aim to quantify our financed emissions with the intent to use this knowledge to inform our efforts to set a science-based target.

Enhancing efficiency and resiliency in our physical assets

We continuously seek to prioritize efficient operations to minimize our impact on the environment, reduce costs, enhance our team member experience, and set a positive example for the business community. In 2016, Wells Fargo announced a set of 2020 commitments associated with the operational efficiency of our assets, many of which we have already achieved or are well positioned to do so by the close of 2020.

Of particular note is our progress against our 2020 renewable energy goal. In 2017, we began meeting 100% of our global electricity consumption with renewable energy, primarily through renewable energy certificates. We are currently in the process of transitioning to long-term contracts that help to fund net-new sources of renewable energy located near our largest load centers through a variety of transaction types including structured retail, utility bi-lateral, and community solar. We made our largest renewable energy purchase to date in 2019, and our near-term renewable energy implementation plan includes executing additional contracts for purchases of renewable energy in markets where we have a business presence, and adding solar to more than 100 corporate properties.

In an effort to assess the resiliency of our physical footprint, we commissioned a third party to help us identify the physical risks of climate change on a number of our most critical properties, including data centers, operations centers, and facilities with high concentrations of team members. The results of the study will help us further integrate a climate lens into our practices, including how we locate and approach construction for new corporate properties.

[3] https://ghgprotocol.org/

2018 Highlights

In our business

- We provided approximately $23 billion in sustainable finance, supporting projects like solar and wind energy, green buildings, alternative transportation, and more
- Wells Fargo tax equity projects represented 9.5% of total wind and solar generation capacity in the U.S.
- As a result of our comprehensive risk management practices, Wells Fargo determined it would not finance Equator Principles in-scope transactions in the Alaskan Arctic region
- More than 1,800 team members received training on climate risk, Environmental and Social Risk Management policies, and enhanced due diligence procedures
- CDP recognized Wells Fargo as a leader in climate change disclosure and performance, scoring us an A-

In our operations

- Between 2008 and 2018, we increased the energy efficiency of our operations by 36%, water efficiency by 59%, and earned Leadership in Energy and Environmental Design (LEED®) certification for 28% of our square footage in leased and owned buildings
- We have exceeded our 2020 goal of reducing greenhouse gas emissions associated with Scope 1, Scope 2, and Scope 3 business air travel by 45%, reaching 48% reduction from 2008-2018

In our communities

- We allocated $30.1 million to support critical environmental needs, including $6.7 million toward advancing clean technology and innovation; $3.4 million to support environmental education; and $20 million to foster resilient communities
- Team members logged more than 78,000 volunteer hours focused on improving the environment

Collaborating with leading institutions and thought leaders to drive climate solutions

Collaboration across sectors and with many stakeholders is critical to making the progress necessary to slow or prevent global temperature increases. To this end, we are working with academia, industry, investors, customers, nongovernmental organizations, nonprofits, and suppliers to understand how we can work together to accelerate the transition to a low-carbon economy.

SELECT CLIMATE-RELATED ENGAGEMENTS INCLUDE	DESCRIPTION
University of Cambridge Institute for Sustainability Leadership Bank 2030 Project	The project will showcase innovative thinking and strategic leadership as well as highlight future opportunities to allocate more capital to economic activities that would reduce greenhouse gas emissions.
CDP	CDP's **Supplier Engagement** disclosure platform helps us engage our top-tier suppliers to better understand the risks and opportunities they may face related to climate change. We're in the process of developing customized education support for our suppliers who received a score of B- or less from CDP. Through philanthropy and engagement, we are supporting **CDP Matchmaker** which seeks to match municipal green infrastructure finance projects in need of financing with financiers including impact investors. Wells Fargo makes climate-related disclosures and reports on performance through CDP's annual questionnaire, and was awarded a score of A- by the organization for our most recent response.
The Climate Service	Wells Fargo's Startup Accelerator invested in The Climate Service, a company that enables corporations and financial services firms to measure, monitor, and manage their financial risks and opportunities related to climate change.
RE100	As a member of RE100, we are working to increase corporate demand for renewable energy and sharing our substantial progress against our multi-phased renewable energy goal.
Ceres	We are members of Ceres' Company and Investor Networks, working collaboratively to integrate corporate sustainability into our business practices. With Ceres' guidance, Wells Fargo developed a core external stakeholder group comprised of representatives from business, nonprofits, and civil society to serve as a sounding board for sustainability strategy development, materiality, and disclosure.
World Resources Institute (WRI)	Wells Fargo commissioned WRI to help evaluate processes for measuring Scope 3 financed emissions in preparation for reporting against the TCFD Framework (see below).
Taskforce on Climate-related Financial Disclosure (TCFD)	Wells Fargo has endorsed the recommendations of the TCFD, and we are actively working to report using the TCFD framework.
Rocky Mountain Institute (RMI)	We are working with RMI to accelerate financial sector climate engagement, with a particular focus on decarbonizing financial portfolios, and broadening energy innovation capability by engaging more deeply with corporate and startup partners.

SELECT CLIMATE-RELATED ENGAGEMENTS INCLUDE	DESCRIPTION
U.S. Department of Energy's National Renewable Energy Laboratory (NREL)	We partner with NREL on our philanthropy program the Wells Fargo Innovation Incubator, a $30 million technology incubator that speeds the path to commercialization for startups focused on energy efficiency in the built environment – commercial and residential – and sustainable agriculture. We are also funding research on the feasibility of utility-scale renewables development on Tribal lands.
Equator Principles	As an Equator Principles (EPs) Financial Institution, Wells Fargo is committed to implementing the EPs risk management framework for determining, assessing, and managing environmental and social risk in project finance. The head of Wells Fargo ESRM sits on the Steering Committee of the Equator Principles Association.
U.S. Green Building Council (USGBC)	Wells Fargo consults with USGBC in our ongoing efforts to design, build, and operate our corporate properties in a manner that is environmentally and socially responsible, deliver a safe and healthy workplace for our team members, and improve quality of life at work.
Climate Action 100+	As a member of this investor initiative, which aims to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change, Wells Fargo Asset Management engages "systemically important emitting" companies on improving governance, curbing emissions, and strengthening climate-related financial disclosures.

Additional resources

- Climate Change 2019 CDP response
- 2020 goals and progress
- Environmental footprint of our operations
- Environmental and Social Risk Management Framework

EXHIBIT D

Welcome to your CDP Climate Change Questionnaire 2020

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Wells Fargo & Company (NYSE: WFC) is a diversified, community-based financial services company with $1.97 trillion in assets. Founded in 1852 and headquartered in San Francisco, Wells Fargo provides banking, investment and mortgage products and services, as well as consumer and commercial finance, through 7,300 locations, more than 13,000 ATMs, digital platforms (online, mobile and social), and contact centers (phone, e-mail and correspondence). Wells Fargo has offices in 31 countries and territories to support customers who conduct business in the global economy. With approximately 266,000 active, full-time equivalent team members, Wells Fargo serves one in three households in the United States and is ranked No. 30 on Fortune's 2020 rankings of America's largest corporations. News, insights and perspectives from Wells Fargo are also available at Wells Fargo Stories. Additional information may also be found at www.wellsfargo.com | Twitter: @WellsFargo.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2019	December 31, 2019	No

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-FS0.7

(C-FS0.7) Which organizational activities does your organization undertake?

Bank lending (Bank)
Investing (Asset manager)

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The Corporate Responsibility Committee (CRC), a standing committee of the Board of Directors, has oversight responsibilities for ESG-related issues of importance to our stakeholder universe and to the Company. The CRC receives regular, ESG-related updates on policy implementation, performance measures and business line engagements to ensure timely and adequately resourced management of critical ESG-related issues. The Board Risk Committee, Human Resources Committee, and Governance & Nominating Committee may also receive reports and updates on ESG-related issues relevant to their respective oversight responsibilities. For example, pay equity and human capital management matters are overseen by the Human Resources Committee. As Wells Fargo continues to build expertise in climate-related issues, the current structure in place supports development of tactical and strategic initiatives commensurate to the size, complexity, and scope of the Company's operations. For example, management established the ESG Disclosure Council, which is composed of senior executives who bring specific expertise relevant to the

	development of non-financial disclosures. Non-financial disclosures prioritize GHG emissions as a source of anthropogenic climate change with acknowledgment that the risks and opportunities associated with the transition and physical dimensions of climate change potentially encompass broader environmental impacts and dependencies. Per the Taskforce for Climate-related Financial Disclosures (TCFD) recommendations, Wells Fargo is exploring how to optimally provide climate-related-financial disclosures to external stakeholders such as through the annual Form 10-K, through the Company website, or through specialized sustainability reporting.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate related issues are a scheduled agenda item	Governance mechanisms into which climate related issues are integrated	Scope of board level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our bank lending activities Climate-related risks and opportunities to our investment activities The impact of our own operations on the climate	In connection with its oversight responsibilities as set forth in its charter, the CRC receives reports from management on sustainability matters including the company's progress against enterprise-level commitments and initiatives with respect to climate change. Senior sustainability staff provide periodic updates to the CRC and its management-level group, the ESG Disclosure Council. The Company's ESG Disclosure Council helps the Company deliver on its commitment to transparency by aligning senior-level oversight and accountability for ESG reporting and disclosures, as well as by considering ways to address any gaps and deficiencies around internal practices.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate related issues
Other, please specify Chief Sustainability Officer	Other, please specify Public Affairs	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our bank lending activities Risks and opportunities related to our investing activities Risks and opportunities related to our own operations	As important matters arise
Other committee, please specify ESG Disclosure Council	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our bank lending activities Risks and opportunities related to our investing activities Risks and opportunities related to our own operations	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Chief Sustainability Officer (CSO) acts as the centralized point of accountability for enterprise-level initiatives including capacity-building for ESG, sustainability and climate-related issues. This leader reports to the Head of Social Impact & Sustainability, who reports to the Vice Chairman of Public Affairs, who reports to the Chief Executive Officer. The various specialist teams within the Sorganization work across the enterprise to develop tactical and strategic climate-related risk and opportunity monitoring, reporting ,due diligence among other internal practices.

The CSO's role includes:

- Overseeing the Company's policies, programs, and strategies with respect to sustainability issues of significance to the Company and the public at large, including the Company's community development and reinvestment activities, fair and responsible lending, support of charitable organizations, and environmental issues;
- Monitoring the Company's relationships with external stakeholders with respect to significant ESG-related issues, as well as the Company's reputation, and advising the Board of Directors and senior management on strategies that can enhance the Company's role and reputation among its stakeholders; and
- Participating in meetings of the Human Resources and Board Risk Committee when ESG-related issues relevant to those committees are discussed.

The CSO also leads specialized sustainability teams that work with:

- **Corporate properties group** to establish, to measure, and to deliver against operational sustainability targets such as achieving carbon neutrality or a net zero carbon footprint for Scope 1 and Scope 2 GHG emissions by meeting purchased electricity needs from 100% renewable sources in 2019; and
- **Supply chain management** to integrate both environmental and climate-related considerations into upstream and downstream value chain oversight.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate related issues	Comment
Row 1	Yes	Wells Fargo aligns enterprise-level ambitions such as GHG emissions reduction targets with professional accountability through incentive structures that help ensure disciplined focus and timely execution of goals.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Other, please specify Chief Sustainability Officer	Monetary reward	Emissions reduction project	
Other, please specify Chief Sustainability Officer	Monetary reward	Emissions reduction project	

Other, please specify Chief Sustainability Officer	Monetary reward	Energy reduction project	
Other, please specify Chief Sustainability Officer	Monetary reward	Emissions reduction target	
Other, please specify Chief Sustainability Officer	Monetary reward	Efficiency project	
Other, please specify Chief Sustainability Officer	Monetary reward	Efficiency target	
Other, please specify Chief Sustainability Officer	Monetary reward	Behavior change related indicator	
Other, please specify Chief Sustainability Officer	Monetary reward	Environmental criteria included in purchases	
Other, please specify Chief Sustainability Officer	Monetary reward	Supply chain engagement	
Other, please specify Chief Sustainability Officer	Monetary reward	Other (please specify) Sustainable Finance Commitment	

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG principles, including climate change?

	We offer an employment based retirement scheme that incorporates ESG principles, including climate change.	Comment
Row 1	Yes, as an investment option for all plans offered	Employees are able to allocate all or part of their 401k retirement plan balance into an ESG-focused equity index fund managed by one of the world's largest investment management companies.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	2	Response to this question is specific to CDP; definition of time horizon for corporate risk and business functions can vary.
Medium-term	2	5	Response to this question is specific to CDP; definition of time horizon for corporate risk and business functions can vary.
Long-term	5	10	Response to this question is specific to CDP; definition of time horizon for corporate risk and business functions can vary.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Wells Fargo defines substantive financial or strategic impacts on its business as material risks within its broader governance & control environment. For a description of how Wells Fargo manages material risks, please refer to the "Risk Management" section of Form 10-K for the year ended December 31, 2019 ("2019 Annual Report").

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

We are working to implement the TCFD recommendations with respect to identifying, assessing, and responding to climate-related risks and opportunities. Our Sustainability function, which includes our specialized Environmental & Social Risk Management (ESRM) team, centrally coordinates both top-down and bottom-up climate-related initiatives that develop and build capacity across the enterprise. Several teams from lines of business, technology, risk, operations, public policy, and enterprise finance coordinate with ESRM to quantify and qualify environmental impacts and dependencies driven by climate change at scales and time variances relevant to our core operating activities.

Our cross-enterprise approach differentiates value chain boundaries such as direct operations, which refer to core operating activities for our five lines of business, upstream which refers to supply chain/inputs to our five lines of business, and downstream which refers to those impacted by the five lines of business including customers, investees, or communities. Scope 1 and 2 GHG emissions, as reported to CDP, are used to help measure enterprise-level operational sustainability with respect to how we manage the energy and resource intensities of our physical assets reflecting impacts and dependencies in climate, energy, and economic systems.

Time variance is a relevant consideration for our climate change approach as we determine how impacts and dependencies align with internal and external planning horizons. Our value chain touch points become important inputs for how we assess decision-making and controls potentials around climate-related risks and opportunities. On a tactical basis, the ESRM team performs additional due diligence on particular transactions when transaction types, customer activities, or issues carry a heightened profile of environmental and/or social impacts. On a strategic basis, our Sustainability function develops internal tools as well as, internal and external partnerships to further our long-term adaptability to climate-related risks and opportunities as an enterprise.

Climate-related Risks

At the enterprise level, Sustainability partners with Corporate Risk to better understand how the physical and transition dimensions of climate change drive traditional financial and non-financial risk types. These drivers or risk factors apply to a number of firm-specific practices such as risk identification, measurement, and assessment, as well as transition and physical scenario analyses, and capital adequacy stress testing.

At the transaction level, individual lines of business serve as the first line of defense in identifying and managing risks driven by climate change impacts and dependencies. Early warning indicators and other portfolio tools used by the first line can provide an embedded risk focus to revenue-generating activities. For example, in adherence to an enterprise-wide ESRM policy, in-scope sectors requiring additional due diligence include all coal & metal mining, all oil & gas transactions and in-scope Equator Principles project finance transactions. Another example of transition risk-focused work includes exploring climate-driven impacts measured in demand and supply variability for automotive and oil & gas loan portfolios through the use of a climate scenario analysis model.

The ESRM team is not only responsible for the analysis of portfolio-related environmental and social risk exposure to climate-sensitive sectors, but also in the development and evolution of new policies to address risks beyond current in-scope sectors. Additionally, the first line conducts a carbon price sensitivity analysis that is included in the primary underwriting memo at least annually for all borrowers engaged in the production, generation, transmission and distribution of fossil fuel-sourced electricity. Related to our own footprint, we periodically commission sustainability materiality assessments to understand the physical risks of climate change on our most critical facilities including data centers, operations centers, and facilities with higher employee density. For an example of physical risk, as a result of one study in collaboration with an external consultant, we have been able to identify owned physical assets in our international operations exposed to chronic physical risk drivers such as sea level rise.

Climate-related Opportunities

At the enterprise-level, we identify climate-related opportunities through business intelligence research, our Climate Change Working Group (CCWG), and sustainability materiality assessments. The CCWG began in 2019 and consists of senior staff from across the enterprise in first line, second line, and corporate function roles flowing critical working knowledge between external stakeholders and our internal governance, product strategy, and risk management experts. The knowledge flow triggers more incisive iterations of our climate scenario analysis collaborations, which help support practical use cases such as identifying risk measurement indicators and innovating product designs to closer align to ESG, climate, and sustainability-related mandates. We also engage with external business groups to learn how investor and consumer shifts in the financial and real economies that offer insight for our future products and services.

At the transaction-level, collaboration opportunities are identified by the sustainable finance lead through close partnerships across enterprise as we explore sector-specific strategies for climate action as evidenced through our founding sponsorship of the Rocky Mountain Institute Center for Climate-aligned Finance. This engagement aims to align members' lending and investing decisions in line with a 1.5C trajectory to help drive the global economy to net zero emissions by 2050.

On the investing side, we operate 29 investment teams across Wells Fargo Asset Management (WFAM) that focus on a variety of types of fund management - from US money market funds through global emerging markets equities. Our analysts and portfolio managers consider climate-related opportunities within the context of the funds that they run as opposed to a thematic fund. WFAM stood up its own climate change working group in 2018 bringing together investment research analysts from across the firm to review and debate the transition risk of investee companies. The research analysts, who are experts on their sectors, explicitly consider how climate-related risks and opportunities are likely to impact the various companies they cover. To bring some of this work to our clients, we have started a series of external papers explaining these considerations, sector-by-sector. It's important to note that WFAM is well-represented on the enterprise-level CCWG to synchronize methodologies, working definitions, and collaborations.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	We consider current laws and regulations applicable to direct operations as well as the upstream and downstream points of our value chain in our climate-related risk assessments. For example, the bank monitors existing regulations at the federal, state and local levels that materially impact our value chain. Current regulations on the radar could include climate-related policies that regulate energy and resource efficiencies such as Title 20 in California for consumer appliances or carbon compliance market initiatives in California or the U.S. Northeast. Other current regulations include renewable energy portfolio standards impacting our power and utility customers' business models and other efficiency/intensity requirements for buildings, equipment, and industrial processes subject to both physical and transition risk from the impacts and dependencies of human-induced climate change. ESRM assessments include considerations of customer compliance with current regulations, laws, and other compliance mandates. We seek opportunities to exit customer relationships where non-compliance or legal violations are identified and work closely with other corporate functions to address potential non-compliance in the direct operations, upstream, and downstream points of our value chain.
Emerging regulation	Relevant, always included	We consider emerging regulation applicable to our direct operations, as well as the upstream and downstream points of the value chain in our climate-related risk assessments. With respect to climate-related risk regulations, we monitor emerging regulations at the federal, state and local levels that impact our value chain, including climate policies that regulate primary energy and emissions sources, energy and resource efficiencies/intensities, and waste or end-use rules broadly applicable to buildings, transport, and industry. Consideration of emerging regulations helps us anticipate and prepare for emergent risks, vulnerabilities and opportunities. For example, ESRM considers how emerging local, state, national, international, and supranational environmental and social regulations could affect our customers' operations, reputational and regulatory risk profiles, and financial conditions. As an example of this risk type, a policy to value atmospheric carbon

		dioxide equivalent can affect our business and our customers in different ways, depending on the structure and behavior of the policy intervention. This includes compliance costs affecting operating margin and revenue repeatability, which impact customers' ability to repay debt. Such considerations factors into ESRM assessments as well as carbon pricing sensitivity and the development of bottom-up climate scenario analysis tools.
Technology	Relevant, always included	Technology drivers of climate-related risk reflect how innovation versus legacy methods and tools are relevant to our business and to our customers' current and future value chains. Technology acts as a key input for complex, top-down climate scenario models identifying operating variables that at scale, can lead to strategic re-allocations of capital in economic systems and determine likelihoods for success or failure rates across multiple sectors. Innovations that support the transition to a low-carbon economy can disrupt existing economic systems and affect demand for existing products and services offered by our customers and by our Company. For example, the impact of a significant shift from internal combustion engines (ICEs) to electric vehicles (EVs) may affect the resale value of ICE vehicles that we have financed, the revenue of upstream companies, and could affect collateral for secured lending arrangements to both energy and manufacturing companies. An archetypal climate scenario analysis examining the climate-related impact (i.e., changed credit rating, consumer demand) and dependency (i.e., hydrocarbon-based fuel price) was conducted through engagement with Oliver Wyman consultancy in 2018. Climate-related technology shifts are broadly monitored by cross-enterprise teams composed of Sustainability, Corporate Risk, and various lines of business. Our Innovation Incubator (IN2) program with the National Renewable Energy Laboratory (NREL) helps us understand how new technologies and innovations may change the consumer and producer landscapes with depth, breadth and speed.
Legal	Relevant, always included	Legal drivers of climate-related risk are relevant to our business. Such drivers include economic losses and damages arising from events sourced or exacerbated by anthropogenic climate change. Such episodes could undergo identification, disposition, judgments, and penalties through legal proceedings. Legal and litigation risk increases as the likelihood and impact of losses due to anthropogenic climate change increase. As an example of this risk type, the bank's actual losses from climate-related events are assessed by the operational risk management team both routinely and ad-hoc as episodes occur (e.g., wildfires in western U.S. regions, storm surges and cyclones in eastern U.S. regions).

		Further evaluation is needed to comprehensively understand potential future losses associated with the damage and resource scarcities associated with climate change. The ESRM team analyses customers' track records with respect to environmental and social litigation, as well as the outcomes of relevant legal proceedings. Similar to existing and emerging regulations, a customer's capacity to navigate legal and compliance issues may contribute to ESRM assessments for in-scope customers and transactions.
Market	Relevant, always included	Market drivers of climate-related risk are relevant to our business as they impact supply and demand factors of the real and financial economies. We seek to understand consumer, investor, and producer variances as non-financial data becomes more standardized, credible, and accessible. We do this by using internal data frameworks that connect non-financial and financial disciplines and seek to integrate with internal practices for strategic, risk, and financial planning. For example, monitoring of risks associated with financing climate-sensitive sectors help us avoid losses due to capital becoming stranded by policy or technology factors and thereby affect our customers' ability to repay loans. The ESRM team helps to assess market drivers as part of the additional due diligence process using a carbon pricing sensitivity tool to characterize future state environments facing our power and utility clients.
Reputation	Relevant, always included	Reputational risks associated with financing customers in climate-sensitive sectors are relevant in our role as a diversified, community-based financial institution. Our portfolios across the five lines of business provide capital to customers representing many sectors and many geographies. For example, this includes customers in oil and gas, transportation, real estate and other industries on which our global economy depends. At the same time, we have a significant retail banking business with stakeholders that are concerned about climate change and some of whom may negatively perceive the direct financing of high GHG-intensive sectors. Reputation drivers to climate-related risks are tactically assessed by ESRM's due diligence process, as well as through engagement surveys/focus groups. When significantly high potential reputational risk is identified for a particular in-scope transaction, including due to climate-related concerns, the ESRM team escalates disposition to senior-level decision makers or the appropriate decision-making body.

Acute physical	Relevant, always included	Acute physical risks such as superstorms or wildfires are relevant for our climate-related risk assessments. These event-driven episodes must be considered from multiple dimensions for how they threaten health and human safety, the built environment, economic damage to communities, and potentially terminal impairment or disruption of commercial productivity. As an example of this risk type, wildfires and other climate-exacerbated disasters can have deep, lasting impacts on local businesses. When wildfires such as the Kincade Fire ravaged Northern California in 2019, business owners who depended on the outdoor, tourism, food and beverage, and hospitality industries were deeply affected. To help local communities, Wells Fargo Foundation donated $400,000 to aid in the state's relief efforts as well as accommodations for affected customers, team members, and more. As responding to disasters is a priority for the organization, Wells Fargo is committed to understanding the root cause of these ever more frequent occurrences. Exposure/contribution to acute physical climate-related risks and associated impacts is a factor in ESRM analysis, and is reflected in our internal scoring methodology for relevant industries (e.g., utilities/power generation). Acute physical risks are more broadly considered by the Sustainability team within Public Affairs, operational risk management within corporate risk, and business continuity Planning within the COO organization.
Chronic physical	Relevant, always included	Chronic physical risks are relevant for our climate-related risk assessments. Examples of these risks include longer-term, incremental shifts like sea level rise, extreme hydrology (e.g., droughts/floods), extreme temperatures, and climate variability. We seek to further understand measures that can be taken in advance to help communities adapt to and meet climate-related hazards with resilience. For example, our Resilient Communities grant program with the National Fish and Wildlife Foundation, seeks to invest $3 million dollars annually to help communities in the United States prepare, strengthen and restore built environments after a natural disaster, many of which can be risk amplified by climate change. Chronic physical risks are more broadly considered by the Sustainability team within Public Affairs, operational risk management within corporate risk and business continuity planning within the COO organization.

C-FS2.2b

(C-FS2.2b) Do you assess your portfolio's exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure	Please explain
Bank lending (Bank)	Yes	To support portfolio-level exposure analysis of transition risks and opportunities, we manage a cross-enterprise GHG accounting workstream to quantify and qualify emissions for select lending and investing portfolios across various GHG-intensive sectors. This helps support our initiative to identifying transition pathways at sector-specific levels for mobilization of climate-aligned finance. It also helps supports risk-focused views of transition drivers such as market-based sentiment shifts, regulatory & policy dynamics, and technological innovation. We also manage a cross-enterprise climate scenario analysis workstream to quantify and qualify both transition and physical risk drivers from climate change to our portfolios. This workstream operates in tandem with the GHG accounting workstream. Using time variant modelling, we're able to study impacts and dependencies from a range of climate scenarios in both top-down and bottom-up use cases. This helps support our understanding of operational and financial variables in all points of our value chain.
Investing (Asset manager)	Yes	To support portfolio-level exposure analysis of transition risks and opportunities, we manage a cross-enterprise GHG accounting workstream to quantify and qualify emissions for select lending and investing portfolios across various GHG-intensive sectors. This helps support our initiative to identifying transition pathways at sector-specific levels for mobilization of climate-aligned finance. It also helps supports risk-focused views of transition drivers such as market-based sentiment shifts, regulatory & policy dynamics, and technological innovation. We also manage a cross-enterprise climate scenario analysis workstream to quantify and qualify both transition and physical risk drivers from climate change to our portfolios. This workstream operates in tandem with the GHG accounting workstream. Using time variant modelling, we're able to study impacts and dependencies from a range of climate scenarios in both top-down and bottom-up use cases. This helps support our understanding of operational and financial variables in all points of our value chain.

Other products and services, please specify	Not applicable	Other products and services are not applicable.

C-FS2.2c

(C-FS2.2c) Describe how you assess your portfolio's exposure to climate-related risks and opportunities.

	Portfolio coverage	Assessment type	Description
Bank lending (Bank)	Majority of the portfolio	Qualitative and quantitative	The cross-enterprise GHG accounting workstream composed of sustainability, risk management, decision science, and first line professionals works to help develop a harmonized methodology for portfolio-based analysis of carbon risk. The workstream uses internal and external data sets and methodologies to quantify and qualify carbon dioxide equivalent emissions using the GHG Protocol Scope 1, 2, and 3 operational and financial control approaches. Product types, maturities, internal risk ratings, and geographic exposures are also considered in determining the TCFD recommended metrics of total emissions, weighted average carbon intensity (WACI), and carbon footprints. Ultimately the workstream informs climate-related opportunities with information about emissions intensity pathways at product levels that are useful for our first line. The workstream also supports the cross-enterprise climate scenario analysis collaborations around policy, market, and technology drivers that would change future emissions intensity pathways.
Investing (Asset manager)	Majority of the portfolio	Quantitative	The cross-enterprise GHG accounting workstream composed of sustainability, risk management, decision science, and first line professionals works to help develop a harmonized methodology for portfolio-based analysis of carbon risk. The workstream uses internal and external data sets and methodologies to quantify and qualify carbon dioxide equivalent emissions using the GHG Protocol Scope 1, 2, and 3 operational and financial control approaches. Product types, maturities, internal risk ratings, and geographic exposures are also considered in determining

			the TCFD recommended metrics of total emissions, weighted average carbon intensity (WACI), and carbon footprints. Ultimately the workstream informs climate-related opportunities with information about emissions intensity pathways at product levels that are useful for our first line. The workstream also supports the cross-enterprise climate scenario analysis collaborations around policy, market, and technology drivers that would change future emissions intensity pathways.
Investing (Asset owner)			

C-FS2.2d

(C-FS2.2d) Do you assess your portfolio's exposure to water-related risks and opportunities?

	We assess the portfolio's exposure	Please explain
Bank lending (Bank)	No, but we plan to do so in the next two years	ESRM considers the protocols to understand impacts and dependencies to freshwater resources and ecosystems as well as consumption/recycling/efficiency efforts, when analyzing companies in industries associated with these types of impacts (including oil and gas, mining, utilities/power generation, and agribusiness) and operators near water resources. We understand the relevance of dedicating human and financial capital to water-related risks and opportunities such as water availability and stress as well as extreme hydrological hazards, and adaptive methods to counteract and reverse water insecurity and water-related value destruction in financial terms.
Investing (Asset manager)	No, but we plan to do so in the next two years	ESRM considers the protocols to understand impacts and dependencies to freshwater resources and ecosystems as well as consumption/recycling/efficiency efforts, when analyzing companies in industries associated with these types of impacts (including oil and gas, mining, utilities/power generation, and agribusiness) and operators near water resources. We understand the relevance of dedicating human and financial capital to water-related risks and opportunities such as water availability and stress as well as extreme hydrological hazards, and

		adaptive methods to counteract and reverse water insecurity and water-related value destruction in financial terms.
Other products and services, please specify	Not applicable	Other products and services are not applicable.

C-FS2.2e

(C-FS2.2e) Do you assess your portfolio's exposure to forests-related risks and opportunities?

	We assess the portfolio's exposure	Please explain
Bank lending (Bank)	No, but we plan to do so in the next two years	The enterprise is exploring the full natural capital suite which includes carbon, water and land-use for how non-financial levels, trends, intensities, and efficiencies bear financial and non-financial impacts and dependencies to our business. We view the natural capital data as variables of physical and transition risk drivers across time-variant future states for different stakeholders in our value chain. We understand the relevance of dedicating human and financial capital to forest-related risks and opportunities such as deforestation, waste and materials handling, industrialized agriculture, and modernizing financial value chains through both voluntary and compliance markets for carbon including project-based credits and other offset instruments that place value on deforestation, afforestation, and reforestation. We hope to better simulate natural capital in scenario analysis tools that can support our primary objectives as a community-based lender and global investment manager also focused on vulnerable populations that face food insecurity, ecosystem services decay, adverse impacts to human health & safety, and biodiversity loss.
Investing (Asset manager)	No, but we plan to do so in the next two years	The enterprise is exploring the full natural capital suite which includes carbon, water and land-use for how non-financial levels, trends, intensities, and efficiencies bear financial and non-financial impacts and dependencies to our business. We view the natural capital data as variables of physical and transition risk drivers across time-variant future states for different stakeholders in our value chain.

		We understand the relevance of dedicating human and financial capital to forest-related risks and opportunities such as deforestation, waste and materials handling, industrialized agriculture, and modernizing financial value chains through both voluntary and compliance markets for carbon including project-based credits and other offset instruments that place value on deforestation, afforestation, and reforestation. We hope to better simulate natural capital in scenario analysis tools that can support our primary objectives as a community-based lender and global investment manager also focused on vulnerable populations that face food insecurity, ecosystem services decay, adverse impacts to human health & safety, and biodiversity loss.
Other products and services, please specify	Not applicable	Other products and services are not applicable.

C-FS2.2f

(C-FS2.2f) Do you request climate-related information from your clients/investees as part of your due diligence and/or risk assessment practices?

	We request climate related information	Please explain
Bank lending (Bank)	No, but we plan to do so in the next two years	When ESRM engages clients to request more information, particularly for critically rated names and in-scope project finance transactions, we ask about climate-related strategy such as TCFD alignment especially if the clients are associated with high GHG intensity sectors.
Investing (Asset manager)	Yes, for some	Requests for climate-related information in connection with our investing (asset manager) activities are made in one of three ways: • Individual investment teams and their researchers request climate-related information for the purposes of their company analysis and evaluation; • Our Head of Stewardship requests information for the purposes of active ownership and engagement for the business; and • Our Head of Stewardship requests information to support our role in Climate Action 100+.
Other products and services, please specify	Not applicable	Other products and services are not applicable.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

Credit risk

Company-specific description

Our business, financial, accounting, data processing systems or other operating systems and facilities may stop operating properly, become inadequate based on our evolving business needs, or become disabled or damaged as a result of a number of factors including events that are wholly or partially beyond our control. For example, there could be sudden significant and widespread disruption to our physical infrastructure or operating systems such as electrical or telecommunications outages, degradation or loss of internet, website or mobile banking availability due to acute climate change-related events and natural disasters such as earthquakes, tornadoes, and hurricanes.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

50,000,000

Potential financial impact figure – maximum (currency)

450,000,000

Explanation of financial impact figure

A range of losses has been provided with a minimum and a maximum based on historical experience with acute climate events, including the impacts of such events on our allowance for credit losses. Our allowance for credit losses at September 30, 2017 included $450 million for coverage of our preliminary estimate of potential hurricane-related losses from Hurricane Harvey, Irma, and Maria. As noted in our quarterly report on Form 10-Q for the quarter ended March 30, 2018, we made a change from our allowance for credit losses in first quarter of 2018, with approximately $400 million released by an improvement in our outlook for actual 2017 hurricane-related losses. The 2017 potential impact figure reported to CDP provided context of the net impact or potential losses due to climate-related events in that reporting period.

Cost of response to risk

183,800,000

Description of response and explanation of cost calculation

We routinely commission studies both internally and externally to better understand chronic and acute physical risk drivers from climate change on our properties over both short-term and long-term horizons. These studies can further improve our current management methods, including how:

1. We are reducing our absolute greenhouse gas emissions and thereby contributing to aggregate reductions needed to address climate change.
2. We employ subject matter experts and have established first line business units dedicated to supporting customers transitioning to a low-carbon economy.
3. We have extensive business continuity plans in place to mitigate damages and associated costs. Through careful planning, we seek to account for the safety of our team members, reduce operational downtime and help customers during extreme climate events.
4. The diversity of our business, with respect to revenue generation and geography, helps us mitigate damages from climate-related events. We are able to maintain disrupted operations from contingent locations.
5. We are investing in capacity-building and conservation projects that can help our communities better prepare for extreme climate-related events.

In 2019, we worked with an external consultant to better profile climate-related hazards to our direct operations. The consultant concluded that no material risks existed due to

business continuity planning, but that there were potential systemic and site-specific risks warranting further analysis.

The cost of responding to climate-related risks is currently reflected in our existing budget including the costs of employing both dedicated and indirect full time employees covering climate change. We estimate the cost of responding to physical climate-related risks by multiplying 1.0% by our total salary expense, which was approximately $18.38 billion as disclosed in our 2019 Form 10-K. This cost value is a single financial figure used to reflect all climate-related risk and opportunity examples cited in this CDP submission.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Emerging regulation
Carbon pricing mechanisms

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

Capital adequacy and risk-weighted assets

Company-specific description

Uncertainty with respect to emerging regulation could affect certain GHG-intensive customers' ability to repay loans due to revenue and asset value impacts if they are unable to complete economic activity using legacy technologies or successfully shift to low-emissions outcomes through utilization of their operating assets (e.g., buildings, transport, and equipment).

Global agreements were established as a result of the United Nations Framework Convention for Climate Change's Conference of the Parties 21 in Paris, however there remains a lack of clear, consistent national framework focused on climate change in the United States. In the United States, federal, state and local levels of regulations offer varying degrees of guidance for the future states of carbon pricing, stranded asset risk potential, financial innovation of products & services to address socioeconomic prosperity, and scalability of low-emissions technologies such as renewable-sourced power generation, electric grid modernization, energy efficient buildings and vehicles, and combustion substitution for vehicle fuel and industrial processes. If emerging

regulations and policies impact customers' operating environments negatively, the bank could be exposed to revenue erosion which could lead to lower capital ratios through decreased retained earnings or asset quality decay.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

283,442,925

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The figure shows the 2019 revenue at risk associated with energy customers engaged in operating activities that may be most directly impacted by emerging regulations addressing climate change. We will continue to engage with external stakeholders and strategic partners to refine our methodology for disclosure. To obtain these figures, we have narrowed the overall energy portfolio to only the relationships that are (i) more emissions intensive, and (ii) rated higher in environmental and social risk ratings determined by our ESRM team. The higher internal risk ratings serve in part as a proxy for the customer's ability to navigate regulatory uncertainty around climate policies and aggregates the portion of annual revenue that would most likely be affected over the short- and medium-term horizons.

Cost of response to risk

183,800,000

Description of response and explanation of cost calculation

Wells Fargo maintains diverse portfolios across a variety of industries thereby enabling the firm to mitigate shocks unique to particular sectors through natural hedging. The ESRM team prioritizes engaging with clients around their environmental and social performance, particularly in climate-sensitive sectors, when greater risks are evident based on primary research and additional due diligence.

The cost of responding to climate-related risks is currently reflected in our existing budget including the costs of employing both dedicated and indirect full time employees covering climate change. We estimate the cost of responding to physical climate-related

risks by multiplying 1.0% by our total salary expense, which was approximately $18.38 billion as disclosed in our 2019 Form 10-K. This cost value is a single financial figure used to reflect all climate-related risk and opportunity examples cited in this CDP submission.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Chronic physical

Changes in precipitation patterns and extreme variability in weather patterns

Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

Capital adequacy and risk-weighted assets

Company-specific description

Changes in precipitation patterns and extreme variability in climate patterns impact our customers. For example, an extreme hydrological driver like a drought can spike costs for customers in water-intensive industries such as the food and beverage, semiconductor, power generation, and tourism sectors. Impacts on operating margins from decreased revenues and unexpected operating expenses could affect customers' ability to repay loans to financial institutions, which in turn could impact our capital ratios through decreased retained earnings or asset quality decay.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

144,506,907

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The figure shows the 2019 revenue at risk associated with energy companies most directly affected by potential chronic physical risks. We continue piloting a methodology to focus our disclosure on energy relationships and will continue to engage with external stakeholders and key strategic partners to continuously improve it. To obtain these figures, we have narrowed the overall energy portfolio to just the relationships that are associated with (i) energy activity more directly affected by extreme variability in precipitation and weather patterns, and (ii) higher internal environmental and social ratings from our ESRM team. The higher internal risk ratings serve in part as a proxy for the customer's ability to respond to physical climate-related risk drivers and help aggregate the portion of revenue that could most likely be affected over short- and medium-term horizons.

Cost of response to risk

183,800,000

Description of response and explanation of cost calculation

Wells Fargo maintains diverse portfolios across a variety of industries thereby enabling the firm to mitigate shocks unique to particular sectors through natural hedging. The ESRM team prioritizes engaging with clients around their environmental and social performance, particularly in climate-sensitive sectors, when greater risks are evident based on primary research and additional due diligence.

Focusing on the higher risk customers within this subgroup of our portfolio allows us to most efficiently:
- Engage clients that pose environmental & social risks to operating environments and communities
- Address areas of financing that most directly impact reputational risk and profiles
- Strengthen critical areas of our portfolio to improve Wells Fargo's resilience to environmental & social risks
- Work with clients to help improve their performance and increase access to capital/minimize operational issues due to environmental & social risks

The cost of responding to physical climate-related risks is currently reflected in our existing budget including the costs of employing both dedicated and indirect full time employees covering climate change. We estimate the cost of responding to physical climate-related risks by multiplying 1.0% by our total salary expense, which was approximately $18.38 billion as disclosed in our 2019 Form 10-K. This cost value is a single financial figure used to reflect all climate-related risk and opportunity examples cited in this CDP submission.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Regulatory incentives, such as the production tax credit for wind-sourced power and the investment tax credit for solar-sourced power, have enabled the growth of our renewable tax equity project finance business through the Wells Fargo Renewable Energy & Environmental Finance (REEF) business vertical.

REEF is part of the Commercial Banking line of business and has been named a top banking sector tax equity investor for its deployment of billions to U.S. clean energy wind and solar projects. State-level tax credits, performance-based incentives, renewable energy portfolio standards (REPS), and renewable energy credits (RECs) combine to support further scalability of renewable energy technology deployment, grid modernization, long-term grid planning, cost savings, job creation, and energy efficiency outcomes for consumers, producers, and communities.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1,400,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial impact figure reflects the approximate amount we provided to clients on solar and wind energy transactions in 2019. Potential financial impact is based on specific financing that directly supports solar and wind energy transactions in 2019. These transactions are considered project finance as Wells Fargo invests in a special purpose entity owning the project assets or assumes direct ownership of the generating equipment. In return for this investment Wells Fargo receives project cash (either as equity distributions or lease rent payments), tax credits, and the tax benefits of accelerated depreciation.

Cost to realize opportunity

20,000,000

Strategy to realize opportunity and explanation of cost calculation

As stated in our corporate goals, we are committed helping to help accelerate a transition to a low-carbon economy. As such, we announced a $200 billion sustainable finance goal, which helps to raise awareness of our intent and attract customers in this space. We support the opportunity with dedicated staff of more than 30 clean tech and renewable energy finance experts who help customers directly, and indirectly through other lines of businesses as demand for low-carbon products increases across business verticals. The direct cost to realize the opportunity is estimated to be $ 20 million annually which reflects operating expenses and wages for this particular initiative.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of climate adaptation, resilience and insurance risk solutions

Primary potential financial impact

Other, please specify

Goodwill

Company-specific description

As a diversified, community-based financial services company that serves one in three households in the United States, there is opportunity for us to deepen relationships by supporting customers and communities before, during, and after natural disaster events especially those amplified by climate change physical drivers (e.g., droughts, floods, wildfires, etc.)

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

69,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The potential financial impact is an approximate measure of climate-related opportunity benefiting the company through customer-facing activities. We begin by multiplying 0.25% of our 2019 goodwill value from our 2019 Form 10-K to estimate the value of our brand in a climate-integrated context. We then add direct philanthropic giving of approximately $2.9 million through our Resilient Communities Program with the National Fish and Wildlife Foundation (NFWF) to this value.

We are using a disciplined approach to build institutional capacity as we serve customers with greater resilience and adaptation financing solutions that by design address physical-driven vulnerabilities and transition-driven risks. Our goodwill value as a proxy for our brand equity reflects customer loyalty among other factors that allow us to retain our leading market position while innovating products and services that advance climate change solutions.

The Wells Fargo Foundation and the National Fish and Wildlife Foundation announced in 2019 $2.9 million in grants to 11 non-profit organizations and tribes across the U.S. to help communities address the mounting threats of flooding, droughts, rising sea levels and longer hurricane and wildfire seasons. By investing in green infrastructure and providing conservation and resilience training for community leaders, the funded projects aim to enhance the protections naturally provided by ecosystems. The grants generated $5.6 million in matching contributions, for a total conservation impact of more than $8.5 million. They were awarded through the Resilient Communities Program, a $10 million, four-year initiative funded by the Wells Fargo Foundation.

Cost to realize opportunity

183,800,000

Strategy to realize opportunity and explanation of cost calculation

Through extensive business continuity planning, we attempt to account for the safety of our team members, reduce operational down time and help customers during extreme climate events. For example, in the U.S., we maintain disaster-relief vehicles equipped with: ATMs, built-in generators, and communication capabilities. The vehicles allow us to sustain regular operations through a crisis period with the unique capability of getting to locations out of reach for regular vehicles. As an example, directly following the Paradise fire in California, Wells Fargo's Mobile Response Unit set up in nearby Chico to help customers endorse insurance checks, explain the property-loss process, and discuss options for longer-term assistance if needed.

The cost of realizing climate-related opportunities is currently reflected in our existing budget including the costs of employing both dedicated and indirect full time employees covering climate change. We estimate the cost of realizing climate-related opportunities by multiplying 1.0% by our total salary expense, which was approximately $18.38 billion as disclosed in our 2019 Form 10-K. This cost value is a single financial figure used to reflect all climate-related risk and opportunity examples cited in this CDP submission.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Wells Fargo has an opportunity to continue to help its customers adapt to and mitigate climate change impacts via financing solutions for renewable energy, green infrastructure, resilient buildings, and more. We are engaged in multiple efforts with third parties aimed at evaluating ways in which we can accelerate mobilizing capital to these efforts. For example, internal teams are collaborating to help further ensure that our customers in renewable energy and clean tech industries have access to our full range of financial capabilities and expertise to help them succeed.

Wells Fargo collaborates with the U.S. Alliance for Sustainable Finance and, through philanthropy and engagement, we are supporting CDP's Matchmaker program, which helps cities overcome barriers to financing municipal green infrastructure projects. Our grant supports this work in cities nationwide, helping match cities with financiers, including impact investors. We also are a long-time supporter of the clean tech, and more recently agriculture technology (AgTech), ecosystems in the United States through the Wells Fargo Innovation Incubator. Our financial support, $30 million through 2020, has enabled dozens of incubators and accelerators to directly engage with hundreds of startups across the country. The Innovation Incubator has supported 40 companies who have gone on to raise nearly $300 million in additional funding through the end of 2019. These companies all focus on tangible sustainability solutions that have direct climate-aligned net benefits and scalability potential.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

26,000,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

As an indicator of estimated financial impact, in 2019 we provided about $26 billion through various channels towards our sustainable finance commitment. Commitments either directly or indirectly contribute to climate adaptation and efforts to support a low-carbon economy. Since 2018, we have provided $49 billion towards financing

sustainable businesses and projects and 67% has been allocated to low-carbon opportunities surpassing our 50% internal goal.

Cost to realize opportunity

183,800,000

Strategy to realize opportunity and explanation of cost calculation

We aim to accelerate the transition to a lower-carbon economy by working together with our customers to finance and to invest in sustainable opportunities and by exploring new opportunities to develop products and solutions that advance sustainability. For example, expansion of our environmental finance capabilities include renewable energy finance (e.g. ,power purchase agreements), solar loan, lease product, support for corporate and municipal green bonds, support for sustainability-linked loans, financing for electric and hybrid vehicles and more. In 2019, Wells Fargo was named the bank sector tax equity investor of the year by Power Finance & Risk in the publication's 16th Annual Deals and Firms of the Year Awards.

The cost of realizing climate-related opportunities is currently reflected in our existing budget including the costs of employing both dedicated and indirect full time employees covering climate change. We estimate the cost of realizing climate-related opportunities by multiplying 1.0% by our total salary expense, which was approximately $18.38 billion as disclosed in our 2019 Form 10-K. This cost value is a single financial figure used to reflect all climate-related risk and opportunity examples cited in this CDP submission.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.1b

(C3.1b) Provide details of your organization's use of climate-related scenario analysis.

Climate related scenarios and models applied	Details

IEA Sustainable development scenario	Wells Fargo collaborated with its large U.S. banking peers and the management consultancy Oliver Wyman in a climate scenario analysis pilot. The purpose of the pilot was to evaluate how climate risk scenarios could impact the credit quality of oil and gas companies and to understand sensitivities of borrowers' creditworthiness in the context of a climate transition. The pilot was led by representatives from Wells Fargo's credit risk and sustainability groups and resulted in further development of an internal methodology for conducting climate scenario analyses. The analysis focused on two specific transition scenarios – a sudden implementation of a carbon tax and a swift expansion in the purchases of electric vehicles. The two scenarios were first translated into specific variables such as oil price and demand, which were then linked to the financial statements of oil and gas companies selected for the exercise. The scenario-adjusted financials were then converted into a credit rating and a probability of default. The output of this process was a set of probabilities of default conditional on the transition scenarios for the sample of companies. The analysis showed a range of rating impact changes across the different oil and gas segments – upstream, midstream, downstream, and integrated. The pilot helped us build more capabilities around climate scenario analysis, which in turn help inform our strategy, financial planning decisions, and risk management processes in line with the TCFD framework recommendations. Current climate scenario analysis workstreams focus on the use of integrated assessment models such as the Global Change Adaptation Model (GCAM) operated by the Joint Global Change Research Institute (JGCRI), a collaboration between the Pacific Northwest National Laboratory (PNNL) and the University of Maryland. The IEA, IPCC and other open-source science-based scenarios around representative concentration or shared socioeconomic pathways also provide foundational tools for development of more sophisticated modeling connecting the climate, energy, and economic systems. The use of remote sensors such as satellite technology offer new kinds of data breakthroughs for the due diligence of emissions as well as identifying dependencies and impacts between the natural and built environments that offer choice potential to producers and consumers of emissions.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate related risks and opportunities	Description of influence

	influenced your strategy in this area?	
Products and services	Yes	Wells Fargo products and services consider climate-related risks and opportunities across short, medium, and long-term horizons as innovation in asset design and structure could optimize to ESG-aligned outcomes. Climate-related risks and opportunities prioritize our attention to how our products and operations could experience financial and non-financial impacts across multiple points on value chains and life cycles. As such, we set a goal to allocate $200 billion in capital by 2030 to sustainable finance with more than 50% of the allocation towards low-carbon technologies. In recognition of customer demand dynamics, we continuously innovate, adapt and enhance our products and services to meet that goal. As we continuously expand our products and services, we're developing deeper vertical expertise to help our customers finance low-carbon mitigation, resilience, adaptation, and disaster recovery solutions. On the lending side, this includes, for example, products to support the U.S. energy transition with renewable energy scalability, support for power purchase agreements to source power from clean technology companies, expert staff to support clean technology customers' needs, and greater investments in disaster preparedness/resilience and recovery. Our enterprise-wide efforts cover Wells Fargo Asset Management's product and services suites, which are increasingly integrating ESG into risk and opportunity identification for both tactical and strategic asset allocations. We view the capability of measuring ESG-aligned outcomes as critical to delivering against rapidly changing investment objectives as green and sustainable investing market potentials.
Supply chain and/or value chain	Yes	Strong strategic oversight of our supply chains has been a multi-year and continuous effort to increase due diligence to more efficiently manage climate-related risks and opportunities in our direct operations as well as the upstream component of our value chain. Identifying these climate-related risks and opportunities in our direct operations and upstream allows us to differentiate between operational sustainability and financial sustainability for transitioning Wells Fargo and its supply chain to a low-carbon future. We have been recognized as a CDP Supplier Engagement

		Leader among over 5,000 companies that have submitted information to be independently assessed against CDP's supplier engagement rating methodology. Since January 1, 2016, the Wells Fargo Foundation has allocated $114.8 million to critical environmental needs including clean technology and innovation, environmental education, and resilient communities. Within Wells Fargo Asset Management, each of the 29 investment teams considers supply chain to the extent they deem it relevant to the investee companies in the context of the investment style for the portfolio. This effectively becomes a bottoms-up strategy to supply chain engagement for investment products which is deemed more efficient than a top-down strategy given the nuances and details unique to sectors, geographies, and asset structures.
Investment in R&D	Yes	To build climate-related risk and opportunity capabilities, we must continuously assess cost-benefit and risk-return profiles for our decision-making. Within that vein, we have committed human and financial capital to build institutional capacity through select hires, external consultant engagements, and data architecture research and development. In collaboration with key stakeholders, we have: • expanded efforts to develop ESG and sustainable investing products within our asset management business; • developed and built an iterative mechanism to our environmental and social risk rating grid to evaluate all mining and energy clients for relevant performance; • implemented a proprietary carbon risk assessment tool to evaluate utility clients against likely scenario developments in carbon pricing; • created innovative financial products geared specifically to renewable and clean technology clients; and • expanded our Innovation Incubator (IN2) in an effort to help clean technology companies advance their products to the marketplace.
Operations	Yes	Climate-related capabilities for direct operations receive board and senior leadership priority and are rapidly evolving into business as usual practices throughout the enterprise and its lines of business. We have heavily invested time, human, and financial capital to make sure our direct operations are as energy and resource-efficient as possible. We view these two elements as critical to ensuring that our

		company is well-positioned to succeed in a low-carbon economy and lead its customers and communities by example. Such examples include: • Since 2017, we've met our goal to purchase renewable energy to meet 100% of our purchased electricity needs for operations. This was achieved initially through the purchase of renewable energy certificates (RECs) and in 2019 was achieved through the purchase of RECs, as well as through the transition to long-term agreements that fund new sources of green power which now represent 5% of our total needs. In 2019, we achieved carbon neutrality or a net zero carbon footprint by meeting our purchased electricity needs from 100% renewable sources. • 30% of our facilities by square footage are Leadership in Energy and Environmental Design (LEED®) certified (43 million square feet of LEED certified projects). • We are enhancing our ESRM policy to impact our lending and investment decision-making. • We foster a corporate culture that has encouraged employees to actualize more than 137,600 sustainability commitments since 2016; program enhancements and redoubled efforts are underway that are designed to help Wells Fargo meet its top-of-house employee goals by the end of 2020

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues	Our planning period for assessing revenue generation from managing climate-related risks and opportunities extends past the long-term. Since 2018, we have provided approximately $49 billion in financing to sustainable businesses and projects with 67% dedicated to low-carbon opportunities. Our goal is to provide $200 billion in financing to sustainable businesses and projects by 2030 with 50% dedicated to low-carbon opportunities. Our ability to achieve this goal reflects our ability to generate revenue and efficiently allocate capital for the enterprise.

		Our Sustainable Finance focus on financial innovation, scalability and sector-specific strategies is expected to generate capital efficient, stable returns on invested capital over time as our products and services more closely match demand in both the real and financial economies. While the revenue forecasting process takes place on a quarterly and annual basis, we take longer views through climate scenario analyses to determine sector-specific strategies for the purposes of product and service innovation.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C-FS3.2

(C-FS3.2) Are climate-related issues considered in the policy framework of your organization?

Yes, we have exclusion policies for industries and/or activities exposed or contributing to climate-related risks

C-FS3.2b

(C-FS3.2b) Describe your exclusion policies related to industries and/or activities exposed or contributing to climate-related risks.

Type of exclusion policy	Portfolio	Application	Description
Coal	Bank lending	New business/investment for new projects	Wells Fargo currently does not directly or indirectly provide new financing or is in the process of exiting existing relationships or reducing our exposure as contracts expire for the following activities or customers involved in them: • Coal industry, including companies deriving profits from mountaintop removal coal operations, or any project associated with the expansion of an existing or development of a new coal mine or new coal-fired power plant • Equator Principles in-scope transactions in the Alaskan Arctic region

C-FS3.3

(C-FS3.3) Are climate-related issues factored into your external asset manager selection process?

Yes, for some assets managed externally

C-FS3.3a

(C-FS3.3a) How are climate-related issues factored into your external asset manager selection process?

	Process for factoring climate related issues into external asset management selection	Comment
Row 1	Review asset manager's climate-related policies Other, please specify ESG Analysis Assessment Framework	Climate-related issues are an element of Global Manager Research's (GMR) proprietary ESG Analysis Assessment Framework which is integrated into GMR's broader Manager Research Evaluation Framework (M-REF) and used by Wells Fargo Advisors. The aforementioned ESG Analysis Assessment Framework ("Framework") is a comprehensive assessment of an asset manager's use of financially material environmental, social and governance (ESG) factors in their investment process. The Framework is applied to every GMR-recommended product as well as new products being considered for addition to the GMR platform. Through the Framework, GMR has a comprehensive understanding as to how each current and prospective asset manager is considering financially material ESG factors - including climate-related issues - in their investment process and philosophy. While the results of the Framework do not alone result in conviction in or selection of an external asset manager, the Framework and the underlying climate-related issues are a relevant GMR consideration for the overall evaluation especially when aligned to a client's investment objective.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number
Abs 1

Year target was set
2008

Target coverage

Scope(s) (or Scope 3 category)
Scope 1+2 (location-based) +3 (upstream)

Base year
2008

Covered emissions in base year (metric tons CO2e)
1,953,466

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
100

Target year
2020

Targeted reduction from base year (%)
45

Covered emissions in target year (metric tons CO2e) [auto-calculated]
1,074,406.3

Covered emissions in reporting year (metric tons CO2e)
941,597

% of target achieved [auto-calculated]
115.1081092672

Target status in reporting year
Achieved

Is this a science-based target?
No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

Note that the Scope 3 component of our goal only includes air travel from Scope 3: Business travel. We surpassed our 2020 goal in 2019 by reducing our emissions 51.8% compared to the base year.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2018

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

Percentage

Target denominator (intensity targets only)

Base year

2017

Figure or percentage in base year

4.6

Target year

2019

Figure or percentage in target year

100

Figure or percentage in reporting year

100

% of target achieved [auto-calculated]

100

Target status in reporting year

Achieved

Is this target part of an emissions target?

Our emissions reduction target referenced in 4.1 is a location-based target, and as such, this renewable energy target is a parallel, stand-alone target.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

We committed to purchasing renewable energy to meet 100% of electricity needs for our direct operations by 2017 and have set a goal to transition to long-term agreements that fund new sources of green power by 2020. In 2019, we met 100% of our global electricity needs with renewable energy, 5% of which represents long-term agreements that fund new sources of green power.

In our effort to transition to long-term agreements that fund new sources of green power by 2020, we supported Bangalore off-site solar asset and Minnesota Community Solar Garden program through long-term agreements representing 18,000 megawatt hours (MWh) annually of net new capacity to the grid in 2018. This brings us to 1% sources of clean power through long-term agreements including 16 properties with on-site solar panels supporting a portion of their electricity needs.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)

Under investigation	7	724
To be implemented*	3,961	126,339
Implementation commenced*	2,638	46,724
Implemented*	3,071	51,196
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Company policy or behavioral change
Site consolidation/closure

Estimated annual CO2e savings (metric tonnes CO2e)

31,365

Scope(s)

Scope 1
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

5,931,797

Investment required (unit currency – as specified in C0.4)

12,821,415

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Initiative category & Initiative type

Energy efficiency in buildings
Other, please specify

Includes all of our voluntary efforts to make our buildings more energy efficient as described in comment below.

Estimated annual CO2e savings (metric tonnes CO2e)

19,831

Scope(s)

Scope 1
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

3,909,978

Investment required (unit currency – as specified in C0.4)

21,297,244

Payback period

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

Other, please specify: Includes all of our voluntary efforts to make our buildings more energy efficient via implementation of U.S. Green Building Council's LEED® (Leadership in Energy and Environmental Design) programs including New Construction and Commercial Interiors, and LEED Existing Buildings Operation and Maintenance (EBOM) and systematic energy audits and energy conservation measures. This work affects our Scope 1 and Scope 2 emissions. Activities include: LED lighting, light reflecting roofing materials, energy efficient glazing, increased insulation, highly energy efficient HVAC systems, one time and continuous commissioning, building operations training, defined set points, and energy performance measurement.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Employee engagement	Our Sustainability team engages Wells Fargo's lines of business and decision makers to make investment decisions that support our climate-related goals. In particular, we conduct in-house trainings on Climate Change including sources, solutions as well as environmental and social impacts).
Employee engagement	We require our Green Teams to develop business plans so that their local and/or business line environmental initiatives contribute to and support our companywide

	Corporate Citizenship goals, which include a commitment to accelerate the transition to a low-carbon economy.
Internal finance mechanisms	We identify emission reduction investments that meet our expected internal rate of return or other internal finance requirements – in other words we are able to make our greenhouse gas reduction investments "pencil out." Investments in a software system that has automated the collection and reporting of energy and greenhouse gas information further supports our ability to continue to make financially responsible investment decisions.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Company-wide

Description of product/Group of products

As a depository institution, we help customers avoid emissions via our operational practices. Customers can be assured that they are keeping their money in an institution that is reducing its Scope 1 and Scope 2 greenhouse gas emissions, while striving to measure and manage Scope 3 emissions. Our reduction in greenhouse gas emissions is reported annually via CDP, our ESG Report, and on our website.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

% revenue from low carbon product(s) in the reporting year

% of total portfolio value

Asset classes/ product types

Comment

We meet 100% of our global electricity needs with renewable energy, 5% of which represents long-term agreements that fund new sources of green power. Through our commercial banking activities we lend to a diverse set of industries, including GHG-intensive ones. Those continue to play a critical role in our global economy as the transition to a low-carbon economy takes place. We are working to accelerate that transition via our operational and lending practices. For example, financing clean tech and renewable energy companies while executing on our Environmental and Social Risk Management policy helps us mange risks associated with lending to high-carbon customers.

We also seek to assist our high carbon customers make the transition. Tracking and measurement of Scope 3 emissions will not only help ensure we are managing and reducing our emissions to support global ambitions under the Paris Agreement to limit warming to well below 2°C and striving for no more than 1.5°C, but it will also help us more effectively communicate our efforts and the efforts of our customers that invest in low-carbon technologies and innovations.

Level of aggregation

Product

Description of product/Group of products

We offer solar financing for solar energy projects $500k and above.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

% revenue from low carbon product(s) in the reporting year

% of total portfolio value

Asset classes/ product types

Comment

The product offering is one of thousands of products and services offered by Wells Fargo.

Level of aggregation

Product

Description of product/Group of products

Green bonds can directly help our customers reduce their Scope 1 and Scope 2 emissions by financing of projects and capital improvements intended to conserve energy or other natural resources. An estimate of avoided emissions is not currently available. Wells Fargo Securities is a member of the Green Bond Principles, a set of voluntary guidelines for the issuance of green bonds. Wells Fargo Securities can help corporate and municipal customers issue green bonds, as well as similar bonds; e.g., sustainability bonds, climate bonds, SDG bonds, and more.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

% revenue from low carbon product(s) in the reporting year

% of total portfolio value

Asset classes/ product types

Comment

The product offering is one of thousands of products and services offered by Wells Fargo.

Level of aggregation

Product

Description of product/Group of products

Wells Fargo's Renewable Energy and Environmental Finance (REEF) group can directly help a third party reduce Scope 2 emissions. Through the REEF tax equity investment, Wells Fargo directly invests in a project rather than providing a line of credit that can be used for multiple purposes. This enables the full utilization of the U.S. Investment Tax Credit or Production Tax Credit for Renewable Energy which reduces the upfront cost of capital needed to invest in solar systems. In general, the projects in which REEF invests generate Renewable Energy Credits (RECs) to be utilized for meeting renewable energy standards in their respective markets around the U.S. For example, Wells Fargo tax equity projects represented 10.3% of total wind and solar generation capacity in the U.S. (Jan. 1, 2006 – Dec. 31, 2019). Through REEF, Wells Fargo has provided more than $8 billion of tax equity financing in support of more than 400 wind and solar projects since establishing the specialized group in 2007 (Jan. 1, 2007 through June 1, 2020).

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

% revenue from low carbon product(s) in the reporting year

% of total portfolio value

Asset classes/ product types

Comment

The product offering is one of thousands of products and services offered by Wells Fargo.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2008

Base year end

December 31, 2008

Base year emissions (metric tons CO2e)

145,684

Comment

Scope 2 (location-based)

Base year start

January 1, 2008

Base year end

December 31, 2008

Base year emissions (metric tons CO2e)

1,702,450

Comment

Scope 2 (market-based)

Base year start

January 1, 2008

Base year end

December 31, 2008

Base year emissions (metric tons CO2e)

1,702,450

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Defra Voluntary 2017 Reporting Guidelines
The Climate Registry: General Reporting Protocol
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
US EPA Center for Corporate Climate Leadership: Indirect Emissions From Purchased Electricity
US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources
US EPA Center for Corporate Climate Leadership: Direct Emissions from Mobile Combustion Sources
US EPA Emissions & Generation Resource Integrated Database (eGRID)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

91,993

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

Wells Fargo reports both a location-based and market-based Scope 2 figure. Our market-based Scope 2 figure incorporates the application of renewable energy instruments, as well as residual mixes or supplier-specific emission factors for electricity, where available and relevant.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

771,327

Scope 2, market-based (if applicable)

4,988

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

2,304,829

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Capital goods

Evaluation status

Relevant, calculated

Metric tonnes CO2e

455,599

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

148,420

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO2e

9,921

Emissions calculation methodology

Wells Fargo's Corporate Properties Group compiles waste stream data provided by waste haulers from locations which are serviced by waste haulers contracted directly through Wells Fargo, and estimates the waste stream in locations where the service is not directly managed using intensity factors developed using the actual data. The data from waste haulers and modelled waste data is combined in order to cover the entire owned/leased portfolio. We then calculate waste emissions utilizing methodologies and emissions factors from Version 14 (updated March 2016) of EPA's Waste Reduction Model (WARM) tool. The WARM tool calculates emissions based on a lifecycle approach. Avoided emissions from recycling, incineration and composting are quantified through the WARM tool's baseline to alternative scenario comparison, but are not included in this Scope 3 emissions figure. We use 100 GWP from the IPCC's Fourth Assessment Report.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

78,277

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

613,405

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Our definition of operational control for the Scope 1 and Scope 2 inventories includes leased assets. Thus, all of our upstream leased assets are included in the Scope 1 and Scope 2 inventories and are not relevant to the Scope 3 inventory.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Not relevant: There are limited remaining potential activities that could be undertaken or influenced by Wells Fargo to further reduce meaningful Scope 3 emissions from our downstream transportation and distribution.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Not relevant: None of Wells Fargo's sold products require further processing, therefore we do not produce Scope 3 emissions in this category.

Use of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Not relevant: 1)There are limited remaining potential activities that could be undertaken or influenced by Wells Fargo to further reduce meaningful Scope 3 emissions from our use of sold products (e.g., online banking services). 2) The estimated size of this category is limited relative to our total estimated Scope 3 emissions.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

We quantified emissions from this source for 2012 and found them to be insignificant in size. This category also does not meet the other criteria for relevance.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

We include all assets that we own and lease to other entities within the boundaries of our Scope 1 and Scope 2 inventories. Since downstream leased assets are already included in the Scope 1 and Scope 2 inventories, this category is not relevant to the Scope 3 inventory.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Wells Fargo do not franchise any of our operations.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

Not applicable

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

Not applicable

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000101

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

863,320

Metric denominator

unit total revenue

Metric denominator: Unit total

85,063,000,000

Scope 2 figure used

Location-based

% change from previous year

5.6

Direction of change

Decreased

Reason for change

The decrease was due primarily to emissions reduction activities such as energy efficiency efforts including implementation of LEED standards, use of centralized energy management systems, installation of highly energy efficient equipment and lighting systems, among others. Through a 7% reduction in total Scope 1 and Scope 2 emissions and a 1.5% decrease in revenue, we achieved the reported 5.6% revenue-normalized decrease in emissions from 2018 to 2019.

C7. Emissions breakdowns

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	While renewable energy is used extensively across our portfolio, our reporting of Scope 1+2 trending has been tied to a location-based figure, and as such, reductions attributed in this indicator are not influenced by renewable consumption.
Other emissions reduction activities	66,185	Decreased	7.1	The reductions experienced across the Wells Fargo portfolio involve a combination of efforts in efficiency and low carbon technologies, including targeted and proactive energy efficiency efforts in our buildings – e.g., implementation of U.S. Green Building Council's LEED standards; use of centralized energy management systems, installation of highly energy efficient equipment and lighting systems, use of narrow set points and energy efficiency purchasing policies; the continuation of technology energy efficiency programs – e.g., server virtualization, server decommissioning, data center facilities efficiency optimization, technology upgrades, data center consolidations and active power management of desktop computers; low carbon installations; on-site solar; and behavioral change programs – i.e. lights out campaigns, use of natural light and turning off computers when not in use. These emissions reduction activities from more than 3,000 projects implemented across the portfolio, resulted in a 66,185 MTCO2e decrease in Scope 1 and Scope 2 emissions which

				was equal to a 7.1% decrease when compared with the 2018 Scope 1 and Scope 2 emissions.
Divestment	0	No change	0	
Acquisitions	0	No change	0	
Mergers	0	No change	0	
Change in output	14,004	Decreased	1.5	Reductions accounted for in this category are primarily driven by decreases in facility count and the square footage of our facilities as Wells Fargo's business needs and conditions change. It is calculated as the net difference between gross variance of Scope 1+2 from 2018 to 2019, less the aggregated sum of emissions reductions activities described above.
Change in methodology	0	No change	0	
Change in boundary	0	No change	0	
Change in physical operating conditions	0	No change	0	
Unidentified	0	No change	0	
Other	0	No change	0	

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non renewable sources	Total (renewable and non renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	407,991	407,991
Consumption of purchased or acquired electricity		1,815,736	0	1,815,736
Consumption of purchased or acquired steam		0	13,518	0
Consumption of purchased or acquired cooling		0	0	0
Consumption of self-generated non-fuel renewable energy		893		893
Total energy consumption		1,816,322	421,816	2,238,138

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

2,238,138

Metric numerator

Total energy usage (MWh)

Metric denominator (intensity metric only)

% change from previous year

3

Direction of change

Decreased

Please explain

Our absolute energy consumption in our portfolio has reduced from 2,315,076 MWh in 2018 to 2,238,138 MWh in 2019.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

APEX - CDP Verification Statement Limited Wells Fargo.pdf

Page/ section reference

All

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

APEX - CDP Verification Statement Limited Wells Fargo.pdf

Page/ section reference

All

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

APEX - CDP Verification Statement Limited Wells Fargo.pdf

Page/ section reference

All

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3 (upstream & downstream)

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

APEX - CDP Verification Statement Limited Wells Fargo.pdf

Page/section reference

All

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

APEX - CDP Verification Statement Limited Wells Fargo.pdf

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Renewable energy products	Apex's standard procedures and guidelines for external Assurance of Sustainability Reports and International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board.	In alignment with our commitment meeting 100% of our global electricity needs with renewable energy,we have obtained verification of all relevant renewable energy products applied across our portfolio. The totals reported in the Energy section C8.2a include the volumes on the attached verification statement.

C11. Carbon pricing

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit purchase

Project type

Landfill gas

Project identification

Seneca Meadows Landfill Gas

Verified to which standard

ACR (American Carbon Registry)

Number of credits (metric tonnes CO2e)

30,000

Number of credits (metric tonnes CO2e): Risk adjusted volume

30,000

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

West India Power

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

30,000

Number of credits (metric tonnes CO2e): Risk adjusted volume

30,000

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Energy efficiency: households

Project identification

Guatemala Water Filtration and Cookstoves

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO2e)

8,667

Number of credits (metric tonnes CO2e): Risk adjusted volume

8,667

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Energy efficiency: own generation

Project identification

Sichuan Household Biodigester

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO2e)

8,667

Number of credits (metric tonnes CO2e): Risk adjusted volume

8,667

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Energy efficiency: households

Project identification

India Improved Cookstoves

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO2e)

8,666

Number of credits (metric tonnes CO2e): Risk adjusted volume

8,666

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

Acre Amazonian Rainforest Conservation

Verified to which standard

Other, please specify

VCS + CCB

Number of credits (metric tonnes CO2e)

8,000

Number of credits (metric tonnes CO2e): Risk adjusted volume

8,000

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Energy efficiency: own generation

Project identification

Household Biodigester, China

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO2e)

5,000

Number of credits (metric tonnes CO2e): Risk adjusted volume

5,000

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

Other, please specify

Risk management

GHG Scope

Scope 3

Application

We use internal carbon pricing for downstream activities only. The internal carbon asset risk (CAR) tool annually evaluates only power & utilities clients that are investor-owned and operating a corporate structure. A price of carbon is applied to their business units,

corporate divisions, and facilities as commensurate to measure impact to operating margins which becomes a transition risk sensitivity analysis of the customer from the bank's perspective.

Actual price(s) used (Currency /metric ton)

36

Variance of price(s) used

$36/metric ton C02 is the default value applied to clients operating in non-regulated carbon markets and sourced from the EPA's social cost of carbon approach. The CAR tool allows for the use of any carbon price. For example, if a transaction in Canada is being evaluated, actual carbon price figures would be used as they apply to ETS or carbon tax depending on the location.

Type of internal carbon price

Shadow price

Impact & implication

The carbon price is applied to evaluate the risk our customers are taking with their business activities that directly emit GHGs in a particular jurisdiction.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, our customers
Yes, our investee companies
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

1

% total procurement spend (direct and indirect)

57

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

We invite a selection of our suppliers to respond to the CDP supply chain questionnaire. CDP supply chain participants were invited based upon a variety of factors designed to capture the most effective data, including their environmental impact based on their industry, our spend with the supplier, and the nature of the services the supplier provides. Suppliers of many sizes and industries are participating to develop short and long-term development opportunities across our wide and diverse footprint. We believe that this level of engagement is appropriate because it includes our largest suppliers by spend, resulting in inviting 57% of our suppliers by total procurement spend.

Impact of engagement, including measures of success

We invite approximately 200 suppliers to respond to the CDP supply chain questionnaire. One measure of our success is our supplier response rate, which is increasing each year. In 2019, 64% of our invited suppliers responded to the questionnaire, which is an increase from our 52% response rate in 2018. We are anticipating that more of our suppliers that are invited to participate in CDP disclosure will participate this year. One indication of the impact of this engagement is the greater opportunities for efficiencies between Wells Fargo and our suppliers. For example, this engagement has led to an increase in the level and breadth of our communication with suppliers.

Comment

We are using the supplier collaboration ideas from the 2019 CDP questionnaire to create a list of suppliers to invite to our year end sustainability meeting, as well as using these ideas as a way to engage with our suppliers.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Information collection (understanding customer behavior)

Details of engagement

Collect climate change and carbon information from new customers as part of initial due diligence

% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5

Portfolio coverage (total or outstanding)

Minority of the portfolio

Please explain the rationale for selecting this group of customers and scope of engagement

Our Environmental and Social Risk Management (ESRM) team reviewed 380 oil and gas and 10 coal and mining transactions in 2019, and engaged in direct conversations with many of these customers on climate change topics.

Focusing engagement on the higher risk customers within subgroups of the Wells Fargo portfolio allows Wells Fargo to most efficiently:
(i) engage with clients who observe elevated environmental and social risks to their operations within their industries;
(ii) address areas of financing that most directly contribute to reputational risk to Wells Fargo;
(iii) strengthen critical areas of our portfolio to improve Wells Fargo's resilience to environmental and social risks over medium and longer term horizons; and
(iv) work with clients to improve their performance and increase access to capital/minimize operational issues due to environmental and social topics.

We are in the process of refining our approach to quantifying financed emissions such as determining total emissions, carbon footprint and weighted average carbon intensity, in line with the TCFD framework.

Impact of engagement, including measures of success

Impact:
• Contributing to improved environmental and social strategies and performance across the engaged companies
• Closer relationships between Wells Fargo and clients
• Improved working relationships between ESRM and bankers
• Providing strong customer service tied to environmental and social issues

Measures of success:
• Number of client conversations / meetings
• Improvements in client environmental and social performance, disclosure, and risk rating over time
• Overall reduction in the percentage of portfolio companies with environmental and social risk ratings of high and critical
• Improvements to carbon risk exposure over time

Type of engagement

Information collection (understanding customer behavior)

Details of engagement

Collect climate change and carbon information at least annually from long-term customers

% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5

Portfolio coverage (total or outstanding)

Minority of the portfolio

Please explain the rationale for selecting this group of customers and scope of engagement

Our Environmental and Social Risk Management (ESRM) team reviewed 380 oil and gas and 10 coal and mining transactions in 2019 and engaged in direct conversations with many of these customers on climate change commitments and related topics.

Focusing engagement on the higher risk customers within subgroups of the Wells Fargo portfolio allows Wells Fargo to most efficiently:
(i) engage clients that pose the most significant environmental and social risks to communities;
(ii) address areas of financing that most directly contribute to reputational risk to Wells Fargo;
(iii) strengthen critical areas of our portfolio to improve Wells Fargo's resilience to environmental and social risks over medium and longer term time horizons and;
(iv) work with clients to improve their performance and increase access to capital/minimize operational issues due to environmental and social topics.

We are in the process of refining our approach to quantifying financed emissions such as determining carbon footprint and weighted average carbon intensity, in line with the TCFD framework.

Impact of engagement, including measures of success

Impact:
• Contributing to improved environmental and social strategies and performance across the engaged companies
• Closer relationships between Wells Fargo and clients
• Improved working relationships between ESRM and bankers
• Providing strong customer service tied to environmental and social issues

Measures of success:
• Number of client touch points / conversations / meetings
• Improvements in client environmental and social performance, disclosure, and risk rating over time
• Overall reduction in the percentage of portfolio companies with environmental and social risk ratings of high and critical
• Improvements to carbon risk exposure over time

Type of engagement

Engagement & incentivization (changing customer behavior)

Details of engagement

Encourage better climate-related disclosure practices

% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5

Portfolio coverage (total or outstanding)

Minority of the portfolio

Please explain the rationale for selecting this group of customers and scope of engagement

Our Environmental and Social Risk Management (ESRM) team engaged in direct conversations with various customers on climate change commitments and their disclosures.

Focusing engagement on the higher risk customers within subgroups of the Wells Fargo portfolio allows Wells Fargo to most efficiently:
(i) engage clients that pose the most significant environmental and social risks to communities;
(ii) address areas of financing that most directly contribute to reputational risk to Wells Fargo;
(iii) strengthen critical areas of our portfolio to improve Wells Fargo resilience to environmental and social risks over medium and longer term time horizons and;
(iv) work with clients to improve their performance increase access to capital, and minimize operational issues due to environmental and social topics.

We are in the process of refining our approach to quantifying financed emissions such as determining carbon footprint and weighted average carbon intensity, in line with the TCFD framework.

Impact of engagement, including measures of success

Impact:
• Contributing to improved environmental and social strategies and performance across companies engaged
• Closer relationships between Wells Fargo and clients
• Improved working relationships between ESRM and bankers
• Wells Fargo positioned as the bank with the most robust client engagement and E&S risk management platforms
• Providing the best in customer service tied to environmental and social guidance

Measures of success:
• Number of client touch points / conversations / meetings
• Improvements in client environmental and social performance, disclosure, and risk rating over time
• Overall reduction in the percentage of portfolio companies environmental social risk

rating of high and critical
• Improvements to carbon risk exposure over time

C-FS12.1c

(C-FS12.1c) Give details of your climate-related engagement strategy with your investee companies.

Type of engagement

Engagement & incentivization (changing investee behavior)

Details of engagement

Exercise active ownership

% of investees by number

1

% Scope 3 emissions as reported in C-FS14.1a/C-FS14.1b

Portfolio coverage

Minority of the portfolio

Rationale for the coverage of your engagement

At Wells Fargo Asset Management (WFAM), we believe engaging with investee companies is a key part of our commitment to active ownership and we have embedded our firm-wide stewardship team into WFAM's investment function. Our motivation for engagement is to maximize the long-term value of our investments. We also believe it deepens our knowledge of our investee companies in which we allocate capital or—where appropriate—to take action to protect our invested capital. We recognize that there are many influences on equity and fixed income instruments' value, and we attempt to identify and monitor issues with the most material impact to investors.

Common issues that warrant engagement include:

• Corporate governance issues
• Business ethics
• Climate change
• Waste and environmental impact
• Data security
• Privacy issues
• Social media content governance
• Cybersecurity
• Human capital
• Modern slavery in supply chains
• Drug pricing
• Opioid litigation

Where climate change is a material issue for a company, WFAM is engaging companies on improving governance on climate change to improve Board accountability, seek commitments from companies to reduce emissions, communicate a long-term climate strategy that is linked to shareholder and stakeholder value and positions the company to be resilient in different pathways and scenarios, and strengthening climate-related financial disclosures. This approach is consistent with the TCFD framework.

Impact of engagement, including measures of success

As a large, active, fundamental investment manager, we have the benefit of using a "carrot and the stick" approach, when it comes to assessing investee companies' commitments and WFAM's recourse options. As long-term investors, we take a pragmatic and patient approach to our engagement framework, in an effort to build mutual understandings, which we believe can drive effective results with the issuers in which we invest. Engagement outcomes may require multiple interactions over time, and we develop milestone expectations that WFAM establishes with individual commitments that our investee companies pledge to us.

Should we conclude that an investee company has failed to meet their commitments in a reasonable period, or if the company has other performance or material issues, our initial course of action would be to communicate our concerns to company management and provide our expectations for improvement. Ultimately, our progress on stewardship efforts will affect our fundamental assessment of these companies and, in turn, our willingness to maintain, reduce, or exit our investment positions.

WFAM initiated an engagement with a major U.S. oil and gas company in May 2019, ahead of its annual general meeting to discuss corporate governance issues and four shareholder proposals on their proxy:

• A recurring proposal to create an independent chair
• A proposal for the company to acknowledge the human right to water
• A proposal calling for a board committee to oversee the company's response to climate change
• A proposal seeking a report from the company on how it is reducing its carbon footprint

We submitted a shareholder resolution to broaden the agenda to also cover sustainability reporting frameworks and kick-start a larger discussion on climate change with which the third and fourth shareholder proposals were directly linked. Two months prior, the firm published an update to its strategy on climate change resilience, utilizing climate scenario analysis and also setting metrics and targets on methane emissions and flaring. The issue in our minds was that those were two very small components of the company's operations, with proportionately small contributions to its overall greenhouse gas (GHG) picture. We pointed this out to the firm's management, and noted that at least one of their competitors was setting a more impactful target on net carbon footprinting of the energy products it sells—a higher standard that includes all three types of emission scopes and quantifies carbon offsets. In our conversations, the company we engaged with said it had not yet become comfortable with underlying

assumptions used to compute targets reflective of their peer's higher standard.

In summary, we believe this company has not yet fully responded to its investors' demands for a complete climate strategy. And, its climate views risk attracting negative regulatory, political, and investor responses. If the company continues to resist change, then new policies, technologies, and investor initiatives could make it more vulnerable over time.

Fortunately, long-term engagements can lead to incremental progress, even at a gradual level. In October 2019, the company contacted WFAM to tell us they had issued new GHG emissions targets, and that they would be linked to executive pay. While this is encouraging progress, our view is that the targets have deficiencies. To start, they are based on intensity and are not absolute. Moreover, there is no transparency on how the company arrived at the targets, including whether they are aligned with the Paris Agreement's goal of limiting global warming to 2 degrees or less.

Climate Action 100+

In August 2019, WFAM joined the Climate Action 100+ (CA100+), an investor initiative that ensures the world's largest corporate greenhouse gas emitters take necessary action on climate change. Along with more than 370 investors with more than $35 trillion in assets collectively under management, WFAM is engaging companies on improving governance, curbing emissions, and strengthening climate-related financial disclosures. The companies include 100 "systemically important emitters," which account for two-thirds of annual global industrial emissions. WFAM is the first and only large U.S. bank-owned asset manager in the CA100+. WFAM joined the CA100+ because we believe it is critical that companies in which we are invested take action on climate change. In addition, we want to stand as committed partners with our clients who are also participating in the initiative, and we want to contribute to WFC's commitment to be a leader on climate change.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Value chain partners included in this response are: team members and strategic external partners. Our engagement strategy is designed to ensure that we gain a diverse set of feedback from our full stakeholder universe. We routinely conduct sustainability and corporate responsibility materiality analyses to help us prioritize our top-down and bottoms-up efforts. The analyses connect senior leadership at Wells Fargo with critical stakeholders from our ecosystem with the goal of identifying, assessing, and ultimately integrating environmental, social and governance issues into business-practical frameworks. These analyses draw upon a broad reach of primary and public domain research, data from the Sustainability Accounting Standards Board (SASB), United Nations Sustainable Development Goals (UN SDGs), and Task Force on Climate-related Financial Disclosures (TCFD), among many others.

Engagement with stakeholders is conducted in person and via virtual communication formats. Once initiatives are prioritized, we work across the enterprise to set measurable goals. For example, we have taken the feedback that backward-looking ESG disclosures are not sufficient and that we must iterate more forward-looking indicators of progress. Team Members regularly engage with each other and senior leadership through regionalized green teams to participate in top-down sustainability discussions as well as bottom-up, grassroots climate-related initiatives unique to the native regional economies and communities in which we operate. For example, we operate 39 green team chapters across our global value chain. Further, over 11,793 employees contributed 95,746 hours and 17,882 unique sustainability commitments in 2019 alone. Our resilient communities initiatives contributed to the restoration of 12,103 acres of land and engaged 11,715 community members to do so in 2019.

Innovation Incubator (IN2) is one of our premier strategic initiatives built from a dedicated philanthropy program that seeks to speed up the commercialization of clean technology. The program works in collaboration with the National Renewable Energy Laboratory (NREL), universities, and other incubators while leveraging our own facilities where clean technologies may be beta tested. The program has directly supported 40 businesses that have gone on to raise more than $313 million in external follow-on funding such as venture capital and hundreds more start-ups through our 60+ channel partners across the country.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers
Trade associations
Funding research organizations
Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Other, please specify Collaboration for climate solutions	Support	Wells Fargo joined other financial institutions in a joint statement calling for leadership and cooperation among governments for commitments leading to a strong global climate agreement.	Statement was issued pre COP 21 to encourage a strong global climate agreement to provide greater market certainty, accelerate investment, drive innovation in low carbon energy, and create jobs.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Business Roundtable (BRT)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

BRT, of which Wells Fargo's CEO Charlie Scharf is a member and representative of the company, continuously develops key policy perspectives including energy and environmental issues. According to BRT's web site, access to sustainable, reliable, affordable energy is fundamental to U.S. national and economic security. Similarly, a clean and healthy environment is essential for economic prosperity now and in the long-term. BRT supports policies that build on America's strengths in technology and energy diversity, encourage investment and innovation in our nation's vibrant energy sector, and preserve environmental quality for the 21st century and beyond.

Wells Fargo is an active member of the BRT and one of the first things CEO Charlie Scharf did when he arrived at Wells Fargo was to make the company a signatory of the Statement on the Purpose of a Corporation in August of 2019. As he stated, "it's simple and straightforward, and it's a clear statement that businesses are responsible to a broad set of constituents and have responsibilities beyond what some companies have believed historically. Given the businesses we're in and the reach we have, I believe our responsibilities and potential for impact are particularly great."

How have you influenced, or are you attempting to influence their position?

Wells Fargo's Public Affairs teams regularly engage with BRT to provide feedback for public policy stances as they apply to current and potential climate change legislation.

Trade association

Global Financial Markets Association (GFMA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

GFMA represents the common interests of the world's leading financial and capital markets participants, to provide a collective voice on matters that support global capital markets. GFMA advocates on policies to address risks that have no borders, regional market developments that impact global capital markets, and policies that promote

efficient cross-border capital flows to end-users by efficiently connecting savers and borrowers, benefiting broader global economic growth.

GFMA has made efforts to understand climate change transition drivers as they apply in public policy impacting its members including Wells Fargo. In June of 2019, GFMA released its Sustainable Finance Survey Report, which defined sustainable finance and its role in strategic planning, corporate structure and governance, products and services, climate-related risk management and disclosures, and the role of policymakers.

How have you influenced, or are you attempting to influence their position?

Wells Fargo has senior leadership representation from its Corporate & Investment Banking (CIB) on the executive board of GFMA. The bank also has representation by two senior sustainability professionals on a sustainable finance-related workstream.

Trade association

Institute of International Finance (IIF)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

According to IIF's web site, with over 100 members to date including banks, investors, service firms, and non-financial corporates, the IIF Sustainable Finance Working Group (SFWG) promotes capital market solutions that support the scaling up of sustainable finance; identifies barriers to—and catalysts for—the broader mobilization of private finance, e.g. those related to regulation, the role of national authorities and multilateral initiatives; promotes effective climate-related disclosures across jurisdictions, notably through support for the implementation of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and addressing data gaps; contributing to efforts to scale up sustainable investment and mainstream impact investment, including around taxonomy, rationalizing sustainable investment terminology and market infrastructure.

The IIF SFWG works closely with official sector collaborators including the G20/B20, the Network for Greening the Financial System (NGFS), the IMF, World Bank/IFC and other multilaterals, national authorities and the regulatory/supervisory community to engage public and private sectors in dialogue around sustainable finance issues.

How have you influenced, or are you attempting to influence their position?

The SFWG has direct representation by Wells Fargo sustainability professionals on the SFWG.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

Yes

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

Innovation Incubator (IN²) is a dedicated philanthropy program that seeks to speed up the commercialization of clean technology. The program works in collaboration with the National Renewable Energy Laboratory (NREL), universities, and incubators while leveraging our own facilities where clean technologies are beta tested. The program has directly supported 40 businesses that have gone on **to** raise more than $313 million in external follow-on funding such as venture capital and hundreds more start-ups through our **60+** channel partners across the country. In 2019, we expanded the Wells Fargo Innovation Incubator (IN²) program with a new focus on housing affordability in line with the objectives of the Wells Fargo Foundation. The program now includes three focus areas: energy efficiency in the commercial buildings sector, sustainable agriculture, and construction technologies that can lower cost and speed time to market.

Through our IN² Channel Partner Awards Program in 2019, we announced $950,000 in support to eight organizations to strengthen emerging sustainable technology markets, student-led start-ups and impact investing initiatives. In late 2019, we welcomed 10 companies in the housing affordability and energy space, joining the inaugural five sustainable agriculture companies who participated in the first sustainable agriculture cohort in spring 2019 at the Donald Danforth Plant Science Center. Companies selected to participate in the IN² program receive up to $250,000 in non-dilutive funding from Wells Fargo, as well as technical support and validation from NREL experts and the Danforth Center, and the opportunity to beta test at a Wells Fargo facility or with a strategic program partner. The 40 companies have raised external follow-on funding of $313 million since joining IN2.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Wells Fargo has a number of processes in place designed to help ensure consistency with respect to supporting activities that may influence climate change policy. Direct activities related to climate change are limited to working collaboratively with organizations and cities that want to find positive solutions to climate change issues. In such cases, Wells Fargo's Sustainability team is engaged to help ensure consistency of approach.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

WFC 2019 Annual Report.pdf

Page/Section reference

Pages 18, 19, 28, 99, 112, 113

Content elements

Governance
Strategy
Risks & opportunities

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Wells Fargo ESG Report 2020.pdf

Page/Section reference

Whole document

Content elements

Governance
Strategy
Risks & opportunities

Comment

ESG Report 2020

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Wells Fargo ESG Goals and Performance Data 2020.pdf

Page/Section reference

Whole document

Content elements

Emissions figures
Emission targets
Other metrics

Comment

ESG Goals & Performance Data

Publication

In voluntary sustainability report

Status

Complete

Attach the document

WFAM Stewardship Report 2019.pdf

Page/Section reference

Whole document

Content elements

Governance
Strategy
Risks & opportunities

Comment

WFAM Stewardship Report

Publication

In mainstream reports

Status

Complete

Attach the document

WFC 2020 Proxy Statement.pdf

Page/Section reference

Pages iii, 5, 12, 19, 20, 38, 106, 124,

Content elements

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Wells Fargo Climate Change Brief (1 29 20).pdf

Page/Section reference

Whole document

Content elements

Governance
Strategy
Risks & opportunities

Comment

Climate Change Issue Brief

C-FS12.5

(C-FS12.5) Are you a signatory of any climate-related collaborative industry frameworks, initiatives and/or commitments?

	Industry collaboration	Comment
Reporting framework	Equator Principles Principles for Responsible Investment (PRI) Task Force on Climate-related Financial Disclosures (TCFD)	Wells Fargo is a financial institution (FI) member of Equator Principles and is committed to implementing the EP's risk management framework for identifying, assessing, and managing environmental and social risks in project finance transactions. The Head of Wells Fargo's ESRM team sits on the Steering Committee of the Equator Principles Association. Wells Fargo reports its EP in-scope transactions annually via the reporting framework. Climate has been identified as a top priority for PRI signatories, with over 70% of asset owners reporting this as the most important long-term trend they are acting on. As a result of the Financial Stability Board's Task Force for Climate-

		related Financial Disclosure (TCFD), the PRI introduced climate-related disclosure indicators that can be used to align with the TCFD recommendations in the 2020 PRI Reporting Framework. Wells Fargo Asset Management, which includes entities that are PRI signatories, submitted climate-related indicators for the 2019 period. Wells Fargo's CEO endorsed the TCFD in November of 2019.
Industry initiative	Ceres Climate Action 100+ Science-Based Targets Initiative for Financial Institutions (SBTi-FI)	Wells Fargo is a member of Ceres' Company and Investor Networks, working collaboratively to integrate corporate sustainability into our business practices. With Ceres' guidance, Wells Fargo developed a core external stakeholder group comprised of representatives from business, non-profits, and civil society to serve as a sounding board for sustainability strategy development, materiality, and disclosure. Wells Fargo is a member of Climate Action 100+, which is an investor initiative aimed to ensure the world's largest greenhouse gas emitters take necessary action on climate change. Wells Fargo Asset Management engages "systemically important emitting" companies on improving governance, curbing emissions, and strengthening climate-related financial disclosures. Wells Fargo Enterprise, responsible for all key operating entities, is exploring SBTi-FI in close consultation with World Resources Institute (WRI). WRI and Wells Fargo collaborate on Scope 3 financed emissions methodologies that empower institutions to set credible, measurable, and meaningful science-based targets for emissions reduction.
Commitment		Wells Fargo supports We Mean Business as a member of the RE100 where we are working to increase corporate demand for renewable energy and sharing our substantial progress against our multi-phased renewable energy goal.

C14. Portfolio Impact

C-FS14.1

(C-FS14.1) Do you conduct analysis to understand how your portfolio impacts the climate? (Scope 3 portfolio impact)

	We conduct analysis on our	Comment

	portfolio's impact on the climate	
Bank lending (Bank)	No, but we plan to do so in the next two years	We've begun conducting internal analysis on our Scope 3: Category 15 GHG emissions also referred to as financed emissions as they are associated with lending and investing products. This work is foundational to our cross-enterprise GHG accounting workstream. As we develop a harmonized cross-enterprise GHG accounting methodology, we consider various external practices such as those by financial service provider companies and industry initiative frameworks. Our primary goal is to develop an internal methodology that is consistent, repeatable and as accurate possible relying less on estimation and more on verified emissions and data integrity.
Investing (Asset manager)	No, but we plan to do so in the next two years	We've begun conducting internal analysis on our Scope 3: Category 15 GHG emissions also referred to as financed emissions as they are associated with lending and investing products. This work is foundational to our cross-enterprise GHG accounting workstream. As we develop a harmonized cross-enterprise GHG accounting methodology, we consider various external practices such as those by financial service provider companies and industry initiative frameworks. Our primary goal is to develop an internal methodology that is consistent, repeatable and as accurate possible relying less on estimation and more on verified emissions and data integrity.
Other products and services, please specify	Not applicable	Other products and services are not applicable.

C-FS14.1c

(C-FS14.1c) Why do you not conduct analysis to understand how your portfolio impacts the climate? (Scope 3 Category 15 “Investments” emissions or alternative carbon footprinting and/or exposure metrics)

We do conduct analysis to understand how our portfolio impacts the climate system across geographies, sectors, and transactions using time-variant studies. Our quantification of scope 3 emissions whether at a portfolio or sector level is not yet suitable to release to external stakeholders given the high level of estimation applied which is industry-consistent and would impede data quality confidence.

In the meanwhile, we are conducting internal analysis on our Scope 3: Category 15 GHG emissions also referred to as financed emissions as they are associated with lending and investing products. As we develop an internal GHG accounting methodology, we consider various external practices such as those by financial service provider companies and industry initiative frameworks. Our primary goal is to develop an internal methodology that is consistent, repeatable and as accurate possible relying less on estimation and more on verified emissions and data integrity.

C-FS14.3

(C-FS14.3) Are you taking actions to align your portfolio to a well below 2-degree world?

	We are taking actions to align our portfolio to a well below 2 degree world	Please explain
Bank lending (Bank)	No, but we plan to do so in the next two years	We are in consultation with various external strategic partners and initiatives on this topic. We are exploring temperature alignment, portfolio coverage, and other methodologies for identifying inter-temporal portfolio alignment choices that meet the Paris Agreement's requirement for keeping the planet well below 2 degrees of additional warming by 2100.
Investing (Asset manager)	No, but we plan to do so in the next two years	We are in consultation with various external strategic partners and initiatives on this topic. We are exploring temperature alignment, portfolio coverage, and other methodologies for identifying inter-temporal portfolio alignment choices that meet the Paris Agreement's requirement for keeping the planet well below 2 degrees of additional warming by 2100.
Other products and services, please specify	Not applicable	Other products and services are not applicable

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Sustainability Officer	Chief Sustainability Officer (CSO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Wells Fargo is pleased to be asked to respond and to be engaged with our customers via the CDP supply chain process. We are also one of approximately 115 CDP supply chain members, and we are therefore asking that a portion of our suppliers also respond to CDP supply chain survey.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	85,063,000,000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	US	9497461015

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

CVS Health

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

10

Uncertainty (±%)

20

Major sources of emissions

Stationary and mobile combustion of fuels, refrigerants, and fire suppressants

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Wells Fargo utilizes the operational control approach to account for our Scope 1 and 2 greenhouse gas emissions sources. This organizational structure includes owned/leased locations for Wells Fargo Bank and wholly-owned subsidiaries, as well as owned or leased vehicles. Wells Fargo's Corporate Properties Group generates a facility list of all domestic and international facilities using their SAP database to help ensure facilities are included in the inventory each year. Emission sources are identified based on their materiality to Wells Fargo's operations and their implications in a wider sustainability context.

Requesting member

CVS Health

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

85

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, purchased chilled water, and purchased steam

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Wells Fargo utilizes the operational control approach to account for our Scope 1 and 2 greenhouse gas emissions sources. This organizational structure includes owned/leased locations for Wells Fargo Bank and wholly-owned subsidiaries, as well as owned or leased vehicles. Wells Fargo's Corporate Properties Group generates a facility list of all domestic and international facilities using their SAP database to help ensure facilities are included in the inventory each year. Emission sources are identified based on their materiality to Wells Fargo's operations and their implications in a wider sustainability context.

Requesting member

HP Inc

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

1

Uncertainty (±%)

20

Major sources of emissions

Stationary and mobile combustion of fuels, refrigerants, and fire suppressants

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Wells Fargo utilizes the operational control approach to account for our Scope 1 and 2 greenhouse gas emissions sources. This organizational structure includes owned/leased locations for Wells Fargo Bank and wholly-owned subsidiaries, as well as owned or leased vehicles. Wells Fargo's Corporate Properties Group generates a facility list of all domestic and international facilities using their SAP database to help ensure facilities are included in the inventory each year. Emission sources are identified based on their materiality to Wells Fargo's operations and their implications in a wider sustainability context.

Requesting member

HP Inc

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

9

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, purchased chilled water, and purchased steam

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Wells Fargo utilizes the operational control approach to account for our Scope 1 and 2 greenhouse gas emissions sources. This organizational structure includes owned/leased locations for Wells Fargo Bank and wholly-owned subsidiaries, as well as owned or leased vehicles. Wells Fargo's Corporate Properties Group generates a facility list of all domestic and international facilities using their SAP database to help ensure facilities are included in the inventory each year. Emission sources are identified based on their materiality to Wells Fargo's operations and their implications in a wider sustainability context.

Requesting member

MetLife, Inc.

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

40

Uncertainty (±%)

20

Major sources of emissions

Stationary and mobile combustion of fuels, refrigerants, and fire suppressants

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Wells Fargo utilizes the operational control approach to account for our Scope 1 and 2 greenhouse gas emissions sources. This organizational structure includes owned/leased locations for Wells Fargo Bank and wholly-owned subsidiaries, as well as owned or leased vehicles. Wells Fargo's Corporate Properties Group generates a facility list of all domestic and international facilities using their SAP database to help ensure facilities are included in the inventory each year. Emission sources are identified based on their materiality to Wells Fargo's operations and their implications in a wider sustainability context.

Requesting member

MetLife, Inc.

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

336

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, purchased chilled water, and purchased steam

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Wells Fargo utilizes the operational control approach to account for our Scope 1 and 2 greenhouse gas emissions sources. This organizational structure includes owned/leased locations for Wells Fargo Bank and wholly-owned subsidiaries, as well as owned or leased vehicles. Wells Fargo's Corporate Properties Group generates a facility list of all domestic and international facilities using their SAP database to help ensure facilities are included in the inventory each year. Emission sources are identified based on their materiality to Wells Fargo's operations and their implications in a wider sustainability context.

Requesting member

NRG Energy Inc

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

0.3

Uncertainty (±%)

20

Major sources of emissions

Stationary and mobile combustion of fuels, refrigerants, and fire suppressants

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Wells Fargo utilizes the operational control approach to account for our Scope 1 and 2 greenhouse gas emissions sources. This organizational structure includes owned/leased locations for Wells Fargo Bank and wholly-owned subsidiaries, as well as owned or leased vehicles. Wells Fargo's Corporate Properties Group generates a facility list of all domestic and international facilities using their SAP database to help ensure facilities are included in the inventory each year. Emission sources are identified based on their materiality to Wells Fargo's operations and their implications in a wider sustainability context.

Requesting member

NRG Energy Inc

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

3

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, purchased chilled water, and purchased steam

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Wells Fargo utilizes the operational control approach to account for our Scope 1 and 2 greenhouse gas emissions sources. This organizational structure includes owned/leased locations for Wells Fargo Bank and wholly-owned subsidiaries, as well as owned or leased vehicles. Wells Fargo's Corporate Properties Group generates a facility list of all domestic and international facilities using their SAP database to help ensure facilities are included in the inventory each year. Emission sources are identified based on their materiality to Wells Fargo's operations and their implications in a wider sustainability context.

Requesting member

Prudential Financial, Inc.

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

83

Uncertainty (±%)

20

Major sources of emissions

Stationary and mobile combustion of fuels, refrigerants, and fire suppressants

Verified

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Wells Fargo utilizes the operational control approach to account for our Scope 1 and 2 greenhouse gas emissions sources. This organizational structure includes owned/leased locations for Wells Fargo Bank and wholly-owned subsidiaries, as well as owned or leased vehicles. Wells Fargo's Corporate Properties Group generates a facility list of all domestic and international facilities using their SAP database to help ensure facilities are included in the inventory each year. Emission sources are identified based on their materiality to Wells Fargo's operations and their implications in a wider sustainability context.

Requesting member

Prudential Financial, Inc.

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

695

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, purchased chilled water, and purchased steam

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Wells Fargo utilizes the operational control approach to account for our Scope 1 and 2 greenhouse gas emissions sources. This organizational structure includes owned/leased locations for Wells Fargo Bank and wholly-owned subsidiaries, as well as owned or leased vehicles. Wells Fargo's Corporate Properties Group generates a facility list of all domestic and international facilities using their SAP database to help ensure facilities are included in the inventory each year. Emission sources are identified based

on their materiality to Wells Fargo's operations and their implications in a wider sustainability context.

Requesting member

Stanley Black & Decker, Inc.

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

10

Uncertainty (±%)

20

Major sources of emissions

Stationary and mobile combustion of fuels, refrigerants, and fire suppressants

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Wells Fargo utilizes the operational control approach to account for our Scope 1 and 2 greenhouse gas emissions sources. This organizational structure includes owned/leased locations for Wells Fargo Bank and wholly-owned subsidiaries, as well as owned or leased vehicles. Wells Fargo's Corporate Properties Group generates a facility list of all domestic and international facilities using their SAP database to help ensure facilities are included in the inventory each year. Emission sources are identified based on their materiality to Wells Fargo's operations and their implications in a wider sustainability context.

Requesting member

Stanley Black & Decker, Inc.

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

82

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, purchased chilled water, and purchased steam

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Wells Fargo utilizes the operational control approach to account for our Scope 1 and 2 greenhouse gas emissions sources. This organizational structure includes owned/leased locations for Wells Fargo Bank and wholly-owned subsidiaries, as well as owned or leased vehicles. Wells Fargo's Corporate Properties Group generates a facility list of all domestic and international facilities using their SAP database to help ensure facilities are included in the inventory each year. Emission sources are identified based on their materiality to Wells Fargo's operations and their implications in a wider sustainability context.

Requesting member

The Allstate Corporation

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

9

Uncertainty (±%)

20

Major sources of emissions

Stationary and mobile combustion of fuels, refrigerants, and fire suppressants

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Wells Fargo utilizes the operational control approach to account for our Scope 1 and 2 greenhouse gas emissions sources. This organizational structure includes owned/leased locations for Wells Fargo Bank and wholly-owned subsidiaries, as well as owned or leased vehicles. Wells Fargo's Corporate Properties Group generates a facility list of all domestic and international facilities using their SAP database to help ensure facilities are included in the inventory each year. Emission sources are identified based on their materiality to Wells Fargo's operations and their implications in a wider sustainability context.

Requesting member

The Allstate Corporation

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

76

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, purchased chilled water, and purchased steam

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Wells Fargo utilizes the operational control approach to account for our Scope 1 and 2 greenhouse gas emissions sources. This organizational structure includes owned/leased locations for Wells Fargo Bank and wholly-owned subsidiaries, as well as owned or leased vehicles. Wells Fargo's Corporate Properties Group generates a facility list of all domestic and international facilities using their SAP database to help ensure facilities are included in the inventory each year. Emission sources are identified based on their materiality to Wells Fargo's operations and their implications in a wider sustainability context.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

Wells Fargo does not use published industry average data to complete SC1.1. Instead, we rely on our own calculated scope 1 and scope 2 emissions, our total revenue, and the revenue of each requesting customer to allocate emissions to each customer. The goods and services Wells Fargo produces are mainly non-physical, therefore we use an economic allocation approach based on market value, as defined by the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The market value used in revenue for Scope 1 emissions are allocated to each customer by multiplying Wells Fargo's corporate scope 1 emissions by the ratio of the customer's spend with Wells Fargo versus our total annual revenue. The same approach is followed for scope 2 emissions.

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	Our emissions are primarily generated by our facilities, each of which can support a range of products and product lines. As a result, the economic allocation method is the most appropriate for our business.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

We do not plan to develop capabilities to allocate emissions to our customers because the economic allocation approach that is currently used is the most appropriate approach for the foreseeable future.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC3.1

(SC3.1) Do you want to enroll in the 2020-2021 CDP Action Exchange initiative?

No

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2019-2020 Action Exchange initiative?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non Public Submission	Are you ready to submit the additional Supply Chain Questions?

I am submitting my response	Investors Customers	Public	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms

SANFORD J. LEWIS, ATTORNEY

January 8, 2021

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 & Co. Regarding GHG emissions \on Behalf of Handlery Hotels Inc.

Ladies and Gentlemen:

Handlery Hotels Inc. (the "Proponent") is beneficial owner of common stock of Wells Fargo & Co. (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 26, 2020 ("Company Letter") sent to the Securities and Exchange Commission by Elizabeth Ising of Gibson Dunn. In that letter, the Company contends that the Proposal may be excluded from the Company's 2021 proxy statement. A copy of this letter is being emailed concurrently to Elizabeth Ising.

The Wells Fargo no action request of December 26, 2020 asserts that the proposal will be substantially implemented by a report that will be issued by January 29, 2021. We are pleased to learn that the Board anticipates publishing the report requested by the Proposal. Consistent with the Company's stated intent to provide a supplement to the no action request when the report is published, we look forward to review of the report that Company publishes to determine whether the report substantially implements the Proposal.

Consistent with Staff practice, it would not be appropriate to find substantial implementation based on a promised future action. The Company letter puts forth a promise to address the current proposal in the future. However, a promise to take some action at a future date, whether that date is defined or not, does not constitute substantial implementation pursuant to Rule 14a-8(i)(10). See, for instance, *The J.M. Smucker Company* (May 9, 2011) (Staff disagreed with the company's assertion that its commitment to publish a sustainability report in the coming year acted as "substantial implementation" of a proposal requesting sustainability reporting).

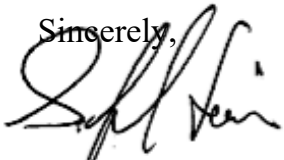
We look forward to the opportunity to review the company's anticipated report to

PO Box 231 Amherst, MA 01004-0231 • sanfordlewis@strategiccounsel.net • 413 549-7333 ph.

assess and provide our perspective as to whether the report has met the guidelines and essential purpose, and therefore substantially implements, the Proposal.

We request that the Staff defer decision until the company has issued the publication and supplemental reply, and we have had opportunity to review and respond.

Sincerely,



Sanford Lewis

cc: Elizabeth Ising

GIBSON DUNN

Gibson, Dunn & Crutcher LLP

1050 Connecticut Avenue, N.W.
Washington, DC 20036-5306
Tel 202.955.8500
www.gibsondunn.com

Elizabeth A. Ising
Direct: +1 202.955.8287
Fax: +1 202.530.9631
Eising@gibsondunn.com

December 26, 2020

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 Handlery Hotels, Inc. 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 2021 Annual Meeting of Shareholders (collectively, the "2021 Proxy Materials") a shareholder proposal (the "Proposal") and statements in support thereof received from As You Sow on behalf of Handlery Hotels, Inc., John B & Linda C Mason Comm Prop Trust, and Langmaid-Shiffman, Mercy Investment Services Inc., Connecticut Retirement Plans and Trust Funds, Arjuna Capital on behalf of Judith Ellen Bamburg, Sisters of the Holy Names of Jesus and Mary U.S. - Ontario Province Corporation, and Daughters of Charity Province of St. Louise (collectively, 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 2021 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 they elect to submit additional correspondence to the Commission or the Staff with respect to the 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.

*** FISMA & OMB Memorandum M-07-16

THE PROPOSAL

The Proposal states:

> **Resolved:** Shareholders request that Wells Fargo issue a report, at reasonable cost and omitting proprietary information, outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

A copy of the Proposal, as well as related correspondence with the Proponents, is attached to this letter as Exhibit A.

BASIS FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the Proposal may properly be excluded from the 2021 Proxy Materials pursuant to Rule 14a-8(i)(10) upon confirmation that the Company has published on the Company's website the requested report regarding if and how the Company intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions (the "Report").

ANALYSIS

The Proposal May Be Excluded Under Rule 14a-8(i)(10) As Substantially Implemented.

A. Background.

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal from its proxy materials if the company has "substantially implemented" the proposal. The Commission stated in 1976 that the predecessor to Rule 14a-8(i)(10) was "designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." Exchange Act Release No. 12598 (July 7, 1976). Originally, the Staff narrowly interpreted this predecessor rule and concurred with the exclusion of a proposal only when proposals were "'fully' effected" by the company. *See* Exchange Act Release No. 19135 (Oct. 14, 1982). By 1983, the Commission recognized that the "previous formalistic application of [the Rule] defeated its purpose" because proponents were successfully avoiding exclusion by submitting proposals that differed from existing company policy in minor respects. Exchange Act Release No. 20091, at § II.E.6. (Aug. 16, 1983) ("1983 Release"). Therefore, in the 1983 Release, the Commission adopted a revised interpretation of the rule to permit the omission of proposals that had been "substantially implemented," and the Commission codified this revised interpretation in Exchange Act Release No. 40018, at n.30 (May 21, 1998). Applying this standard, the Staff has noted that "a determination that the company has substantially

implemented the proposal depends upon whether [the company's] particular policies, practices and procedures compare favorably with the guidelines of the proposal." *Walgreen Co.* (avail. Sept. 26, 2013); *Texaco, Inc.* (avail. Mar. 28, 1991).

At the same time, a company need not implement a proposal in exactly the same manner set forth by the proponent. In *General Motors Corp.* (avail. Mar. 4, 1996), the company observed that the Staff has not required that a company implement the action requested in a proposal exactly in all details but has been willing to issue no-action letters under the predecessor of Rule 14a-8(i)(10) in situations where the "essential objective" of the proposal had been satisfied. The company further argued, "[i]f the mootness requirement [under the predecessor rule] were applied too strictly, the intention of [the rule]—permitting exclusion of 'substantially implemented' proposals—could be evaded merely by including some element in the proposal that differs from the registrant's policy or practice." For example, the Staff has concurred that companies, when substantially implementing a shareholder proposal, can address aspects of implementation on which a proposal is silent or which may differ from the manner in which the shareholder proponent would implement the proposal. *See, e.g., The Dow Chemical Company* (avail. Mar. 18, 2014, *recon. denied* Mar. 25, 2014) (proposal requesting that the company prepare a report assessing short- and long-term financial, reputational and operational impacts that the legacy Bhopal disaster may reasonably have on the company's Indian and global business opportunities and reporting on any actions the company intends to take to reduce such impacts); *Hewlett-Packard Co.* (avail. Dec. 11, 2007) (proposal requesting that the board permit shareholders to call special meetings was substantially implemented by a proposed bylaw amendment to permit shareholders to call a special meeting unless the board determined that the special business to be addressed had been addressed recently or would soon be addressed at an annual meeting); *Johnson & Johnson* (avail. Feb. 17, 2006) (proposal that requested the company to confirm the legitimacy of all current and future U.S. employees was substantially implemented because the company had verified the legitimacy of over 91% of its domestic workforce). Therefore, if a company has satisfactorily addressed both the proposal's underlying concerns and its "essential objective," the proposal will be deemed "substantially implemented" and, therefore, may be excluded as moot. *See, e.g., Quest Diagnostics, Inc.* (avail. Mar. 17, 2016); *ConAgra Foods, Inc.* (avail. July 3, 2006); *The Gap, Inc.* (avail. Mar. 8, 1996).

B. Anticipated Publication Of The Report Will Substantially Implement The Proposal.

The Report will substantially implement the Proposal because, as described above, the Report will address the Proposal's underlying concerns and essential objective consistent with Rule 14a-8(i)(10). The Company's Board of Directors and/or one of its committees is anticipated to review the Report at an upcoming meeting, and the Company expects to then promptly publish the Report thereafter by January 29, 2021.

C. Supplemental Notification.

We submit this no-action request now to address the timing requirements of Rule 14a-8(j). We supplementally will notify the Staff and the Proponent after publication of the Report on the Company's website, which is expected to occur by January 29, 2021. The Staff consistently has granted no-action relief under Rule 14a-8(i)(10) where a company has notified the Staff of the actions expected to be taken that will substantially implement the proposal and then supplements its request for no-action relief by notifying the Staff after those actions have been taken. *See, e.g.*, *United Continental Holdings, Inc.* (avail. Apr. 13, 2018); *United Technologies Corporation* (avail. Feb. 14, 2018); *The Southern Co.* (avail. Feb. 24, 2017); *Mattel, Inc.* (avail. Feb. 3, 2017); *The Wendy's Co.* (avail. Mar. 2, 2016); *The Southern Co.* (avail. Feb. 26, 2016); *The Southern Co.* (avail. Mar. 6, 2015); *Visa Inc.* (avail. Nov. 14, 2014); *Hewlett-Packard Co.* (avail. Dec. 19, 2013); *Starbucks Corp.* (avail. Nov. 27, 2012); *DIRECTV* (avail. Feb. 22, 2011); *NiSource Inc.* (avail. Mar. 10, 2008); *Johnson & Johnson* (avail. Feb. 19, 2008) (each granting no-action relief where the company notified the Staff of its intention to omit a shareholder proposal under Rule 14a-8(i)(10) because the board of directors was expected to take action that would substantially implement the proposal, and the company supplementally notified the Staff of the board action).

CONCLUSION

Based upon the foregoing analysis and further details to be provided supplementally regarding how the Report compares favorably to the Proposal, we believe that upon confirmation of publication of the Report, the Proposal will have been substantially implemented. Thus, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its 2021 Proxy Materials in reliance on Rule 14a-8(i)(10).

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 Kathryn V. Purdom, Assistant General Counsel and Assistant Corporate Secretary, at (704) 374-3234.

Sincerely,

Elizabeth A. Ising

Enclosures

cc: Kathryn V. Purdom, Assistant General Counsel and Assistant Corporate Secretary
Mary E. Schaffner, Senior Vice President and Senior Company Counsel
Danielle Fugere, As You Sow
Mary Minette, Mercy Investment Services, Inc.
Christine Shaw, Connecticut Retirement Plans and Trust Funds
Natasha Lamb, Arjuna Capital
Vicki Cummings, Sisters of the Holy Names of Jesus and Mary U.S. - Ontario Province Corporation

EXHIBIT A

From: Gail Follansbee <gail@asyousow.org>
Sent: Friday, November 6, 2020 6:43 PM
To: Augliera, Anthony R (Legal) <anthony.augliera@wellsfargo.com>
Cc: Danielle Fugere <DFugere@asyousow.org>; Lila Holzman <lholzman@asyousow.org>; Investor Relations <InvestorRelations@wellsfargo.com>
Subject: Wells Fargo Shareholder Proposal

Mr. Augliera,

Attached please find filing documents submitting a shareholder proposal for inclusion in the company's 2021 proxy statement. A paper copy of these documents was sent by FedEx today, Friday 11/6/20 and will be received at your office on Monday 11/9/20.

It would be much appreciated if you could please confirm receipt of this email.

Thank you very much,
Gail

Gail Follansbee (she/her)
Coordinator, Shareholder Relations
As You Sow
2150 Kittredge St., Suite 450
Berkeley, CA 94704
(510) 735-8139 (direct line) ~ (650) 868-9828 (cell)
gail@asyousow.org | www.asyousow.org

AS YOU SOW
2150 Kittredge St. Suite 450
Berkeley, CA 94704
www.asyousow.org
BUILDING A SAFE, JUST, AND SUSTAINABLE WORLD SINCE 1992

VIA EMAIL & FEDEX

November 6, 2020

Anthony R. Augliera
Deputy General Counsel and Corporate Secretary
Wells Fargo & Company
MAC# D1130-117
301 South Tryon Street, 11th Floor
Charlotte, NC 28282
anthony.augliera@wellsfargo.com

Dear Mr. Augliera,

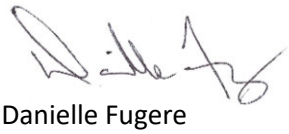
As You Sow is filing a shareholder proposal on behalf of John B & Linda C Mason Comm Prop (S) (Proponent), a shareholder of Wells Fargo, for inclusion in the company's 2021 proxy statement, and for consideration by shareholders in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934.

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

We are available to discuss this issue and are optimistic that such a discussion could result in resolution of the Proponent's concerns.

To schedule a dialogue, please contact me at DFugere@asyousow.org. Please send all correspondence **with a copy to shareholderengagement@asyousow.org**.

Sincerely,



Danielle Fugere
President

Enclosures
- Shareholder Proposal
- Shareholder Authorization

cc: investorrelations@wellsfargo.com

Whereas: Banks play a critical role in meeting the Paris Agreement's goal of limiting global warming to 1.5 degrees Celsius, requiring net zero greenhouse gas (GHG) emissions by 2050. Limiting global warming at 1.5 versus 2 degrees will save $20 trillion globally by 2100.[1] Yet, as of 2019, the global financial system supports carbon producing activities that will cause global temperature rise greater than 4 degrees Celsius -- over double the limit necessary to avoid catastrophic warming.[2]

This carbon intensive funding creates systemic portfolio risks to the global economy, investors, and banks' profitability. The United States' Commodity Futures Trading Commission recently acknowledged that climate change creates significant risk and could impair the productive capacity of the U.S. economy.[3] Recognizing growing risk, the European Investment Bank, the biggest multilateral lender in the world, will stop funding fossil fuel projects in 2021.[4]

Wells' financing contributes substantially to global climate risk. It is the 2nd largest source of financing to fossil fuel companies globally, averaging over $49 billion annually since the Paris Agreement was signed.[5] Wells is already facing negative impacts from this; a second quarter $2.4 billion loss was attributed in significant part to loan losses in the oil and gas sector.[6]

In contrast, peer U.S. banks are beginning to address their financed GHG contributions. Morgan Stanley committed to reach net zero financed emissions by 2050.[7] JPMorgan made a Paris aligned financing commitment, with interim 2030 targets to be announced. Bloomberg noted the importance of interim targets, challenging banks to pursue 50 percent reductions by 2030.[8] BofA, Citigroup, and Morgan Stanley have joined other global banks in committing to measure and disclose their financed emissions through the Partnership for Carbon Accounting Financials (PCAF).[9]

While Wells has undertaken various climate related activities, including purchasing solar; issuing a climate risk report; creating climate committees; setting a $200 billion sustainable financing goal, including clean energy funding; and a statement of support for "the principles of

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[1] https://www.nature.com/articles/d41586-018-05219-5
[2] https://www.theguardian.com/business/2019/oct/15/bank-of-england-boss-warns-global-finance-it-is-funding-climate-crisis?CMP=Share_iOSApp_Other
[3] https://www.cftc.gov/sites/default/files/2020-09/9-9-20%20Report%20of%20the%20Subcommittee%20on%20Climate-Related%20Market%20Risk%20-%20Managing%20Climate%20Risk%20in%20the%20U.S.%20Financial%20System%20for%20posting.pdf
[4] https://www.ran.org/wp-content/uploads/2020/09/RAN_OCI_Fracking_Fiasco.pdf, p.7
[5] https://www.ran.org/wp-content/uploads/2020/03/Banking_on_Climate_Change__2020_vF.pdf
[6] https://www.washingtonpost.com/business/wells-fargo-loses-24-billion-in-2q-first-loss-since-2008/2020/07/14/dfe9b3f2-c5ce-11ea-a825-8722004e4150_story.html
[7] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate
[8] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate
[9] https://carbonaccountingfinancials.com/

the Paris Agreement," it has not indicated whether it will measure and disclose its financed GHG emissions or adopt Paris aligned net zero targets for its financed emissions.

Resolved: Shareholders request that Wells Fargo issue a report, at reasonable cost and omitting proprietary information, outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

Supporting Statement: Shareholders recommend the report disclose, among other issues, at board and management discretion:

- Whether the bank will join other peers in adopting the global PCAF measurement and reporting tool;
- Any other actions Wells Fargo is taking to measure and publicly disclose the GHG emissions associated with its financing activities;
- Whether the bank is considering setting Paris aligned, net zero targets, such as Science Based or other targets, and on what timeline, to reduce the carbon footprint of its lending activities.

10/14/2020 | 3:07:48 PM PDT

Andrew Behar
CEO
As You Sow
2150 Kittredge St., Suite 450
Berkeley, CA 94704

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

As of the date of this letter, the undersigned authorizes As You Sow (AYS) to file, co-file, 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: John B & Linda C Mason Comm Prop (S)
Company: Wells Fargo
Annual Meeting/Proxy Statement Year: 2021
Resolution Subject: Climate disclosures or other measures to reduce GHG emissions

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 2021.

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:
John Mason
191DD2334FC743D...

Name: John Mason

Title: Stockholder

DocuSigned by:
Linda Mason
1A2546F5C31941A...

Linda Mason

Ms.

AS YOU SOW
2150 Kittredge St. Suite 450
Berkeley, CA 94704
www.asyousow.org
BUILDING A SAFE, JUST, AND SUSTAINABLE WORLD SINCE 1992

VIA FEDEX & EMAIL

November 6, 2020

Anthony R. Augliera
Deputy General Counsel and Corporate Secretary
Wells Fargo & Company
MAC# D1130-117
301 South Tryon Street, 11th Floor
Charlotte, NC 28282
anthony.augliera@wellsfargo.com

Dear Mr. Augliera,

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

- Langmaid-Shiffman
- Handlery Hotels, Inc.

Shareholders are co-filers of the enclosed proposal with John B & Linda C Mason Comm Prop (S) who is the Proponent of the proposal. *As You Sow* has submitted the enclosed shareholder proposal on behalf of Proponent for inclusion in the 2021 proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. *As You Sow* is authorized to act on Langmaid-Shiffman's or Handlery Hotels' behalf with regard to withdrawal of the proposal.

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. To schedule a dialogue, please contact me at DFugere@asyousow.org. Please send all correspondence to me **with a copy to shareholderengagement@asyousow.org**.

Sincerely,

Danielle Fugere
President

Enclosures
- Shareholder Proposal
- Shareholder Authorization

cc: investorrelations@wellsfargo.com

Whereas: Banks play a critical role in meeting the Paris Agreement's goal of limiting global warming to 1.5 degrees Celsius, requiring net zero greenhouse gas (GHG) emissions by 2050. Limiting global warming at 1.5 versus 2 degrees will save $20 trillion globally by 2100.[1] Yet, as of 2019, the global financial system supports carbon producing activities that will cause global temperature rise greater than 4 degrees Celsius -- over double the limit necessary to avoid catastrophic warming.[2]

This carbon intensive funding creates systemic portfolio risks to the global economy, investors, and banks' profitability. The United States' Commodity Futures Trading Commission recently acknowledged that climate change creates significant risk and could impair the productive capacity of the U.S. economy.[3] Recognizing growing risk, the European Investment Bank, the biggest multilateral lender in the world, will stop funding fossil fuel projects in 2021.[4]

Wells' financing contributes substantially to global climate risk. It is the 2nd largest source of financing to fossil fuel companies globally, averaging over $49 billion annually since the Paris Agreement was signed.[5] Wells is already facing negative impacts from this; a second quarter $2.4 billion loss was attributed in significant part to loan losses in the oil and gas sector.[6]

In contrast, peer U.S. banks are beginning to address their financed GHG contributions. Morgan Stanley committed to reach net zero financed emissions by 2050.[7] JPMorgan made a Paris aligned financing commitment, with interim 2030 targets to be announced. Bloomberg noted the importance of interim targets, challenging banks to pursue 50 percent reductions by 2030.[8] BofA, Citigroup, and Morgan Stanley have joined other global banks in committing to measure and disclose their financed emissions through the Partnership for Carbon Accounting Financials (PCAF).[9]

While Wells has undertaken various climate related activities, including purchasing solar; issuing a climate risk report; creating climate committees; setting a $200 billion sustainable financing goal, including clean energy funding; and a statement of support for "the principles of

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[1] https://www.nature.com/articles/d41586-018-05219-5
[2] https://www.theguardian.com/business/2019/oct/15/bank-of-england-boss-warns-global-finance-it-is-funding-climate-crisis?CMP=Share_iOSApp_Other
[3] https://www.cftc.gov/sites/default/files/2020-09/9-9-20%20Report%20of%20the%20Subcommittee%20on%20Climate-Related%20Market%20Risk%20-%20Managing%20Climate%20Risk%20in%20the%20U.S.%20Financial%20System%20for%20posting.pdf
[4] https://www.ran.org/wp-content/uploads/2020/09/RAN_OCI_Fracking_Fiasco.pdf, p.7
[5] https://www.ran.org/wp-content/uploads/2020/03/Banking_on_Climate_Change__2020_vF.pdf
[6] https://www.washingtonpost.com/business/wells-fargo-loses-24-billion-in-2q-first-loss-since-2008/2020/07/14/dfe9b3f2-c5ce-11ea-a825-8722004e4150_story.html
[7] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate
[8] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate
[9] https://carbonaccountingfinancials.com/

the Paris Agreement," it has not indicated whether it will measure and disclose its financed GHG emissions or adopt Paris aligned net zero targets for its financed emissions.

Resolved: Shareholders request that Wells Fargo issue a report, at reasonable cost and omitting proprietary information, outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

Supporting Statement: Shareholders recommend the report disclose, among other issues, at board and management discretion:

- Whether the bank will join other peers in adopting the global PCAF measurement and reporting tool;
- Any other actions Wells Fargo is taking to measure and publicly disclose the GHG emissions associated with its financing activities;
- Whether the bank is considering setting Paris aligned, net zero targets, such as Science Based or other targets, and on what timeline, to reduce the carbon footprint of its lending activities.

10/19/2020 | 3:42:28 PM PDT

Andrew Behar
CEO
As You Sow
2150 Kittredge St., Suite 450
Berkeley, CA 94704

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

As of the date of this letter, the undersigned authorizes As You Sow (AYS) to file, co-file, 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: Langmaid-Shiffman
Company: Wells Fargo
Annual Meeting/Proxy Statement Year: 2021
Resolution Subject: Climate disclosures or other measures to reduce GHG emissions

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 2021.

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:
Audrey Shiffman
C09C79FD6AC948B...

Name: Audrey Shiffman

Title: ms

DocuSigned by:
Peter Langmaid
5AB534A468FD4BA...

Peter Langmaid

mr

10/20/2020 | 6:42:09 PM EDT

Andrew Behar
CEO
As You Sow
2150 Kittredge St., Suite 450
Berkeley, CA 94704

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

As of the date of this letter, the undersigned authorizes As You Sow (AYS) to file, co-file, 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: Handlery Hotels Inc
Company: Wells Fargo
Annual Meeting/Proxy Statement Year: 2021
Resolution Subject: Climate disclosures or other measures to reduce GHG emissions

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 2021.

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:
Ashley Handlery
163B90A22BA14D9...

Name: Ashley Handlery

Title: Director, Handlery Hotels Inc.

From: White, Willie J. (Legal) <Willie.J.White@wellsfargo.com>
Sent: Thursday, November 19, 2020 4:46 PM
To: Danielle Fugere <DFugere@asyousow.org>
Cc: Augliera, Anthony R (Legal) <anthony.augliera@wellsfargo.com>; O'Hayre, Mindi D (Legal) <mindi.ohayre@wellsfargo.com>; shareholderengagement@asyousow.org
Subject: Wells Fargo & Company - Shareholder Proposal Received on Nov. 6, 2020 - Notice of Deficiency

Ms. Fugere:

This email and attached notice of deficiency letter will confirm that Wells Fargo & Company received the shareholder proposal you submitted by email to the Corporate Secretary on November 6, 2020, and also brings to your attention per SEC rules the procedural deficiencies in your submission and the required timing for your response. A copy of this letter is also 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 Legal Department

Wells Fargo I 301 S. Tryon St., 11th Floor I Charlotte, NC 28202
MAC D1130-117 I Tel: 704.410.5082 I Fax: 877.572.7039

Willie.J.White@wellsfargo.com

WELLS FARGO

November 19, 2020

VIA OVERNIGHT MAIL AND EMAIL

Danielle Fugere, President
As You Sow
2150 Kittredge St., Suite 450
Berkeley, CA 94704

Dear Ms. Fugere:

I am writing on behalf of Wells Fargo & Company (the "Company"), which received on November 6, 2020, the shareholder proposal you submitted on behalf of John B & Linda C Mason Comm Prop (S), Langmaid-Shiffman, and Handlery Hotels, Inc. (each a "Proponent" and, collectively, the "Proponents") pursuant to Securities and Exchange Commission ("SEC") Rule 14a-8 for inclusion in the proxy statement for the Company's 2021 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 the Company has 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 6, 2020, 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 6, 2020; 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 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 6, 2020.

(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 6, 2020. 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 6, 2020, 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 Tryon Street, 11th Floor, MAC D1130-117, Charlotte, NC 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. For your reference, I enclose a copy of Rule 14a-8 and Staff Legal Bulletin No. 14F.

Sincerely,

Willie J. White

Vice President and Senior Counsel

cc: Anthony R. Augliera, Deputy General Counsel and Corporate Secretary

Enclosures

From: Gail Follansbee <gail@asyousow.org>
Sent: Thursday, December 03, 2020 11:42 PM
To: White, Willie J. (Legal) <Willie.J.White@wellsfargo.com>; Danielle Fugere <DFugere@asyousow.org>
Cc: Augliera, Anthony R (Legal) <anthony.augliera@wellsfargo.com>; O'Hayre, Mindi D (Legal) <mindi.ohayre@wellsfargo.com>; Shareholder Engagement <shareholderengagement@asyousow.org>; Lila Holzman <lholzman@asyousow.org>
Subject: Re: Wells Fargo & Company - Shareholder Proposal Received on Nov. 6, 2020 - Notice of Deficiency

Dear Willie,

Please see attached the Proof of Ownership documentation of Wells Fargo 8,793 shares from Handlery Hotels Inc. We note that Handlery Hotels, Inc is now designated as lead-filer for this resolution. Please confirm receipt and let us know if any deficiencies remain.

Thank you so much,
Gail

Gail Follansbee (she/her)
Coordinator, Shareholder Relations
As You Sow
2150 Kittredge St., Suite 450
Berkeley, CA 94704
(510) 735-8139 (direct line) ~ (650) 868-9828 (cell)
gail@asyousow.org | www.asyousow.org

From: "Willie.J.White@wellsfargo.com" <Willie.J.White@wellsfargo.com>
Date: Thursday, November 19, 2020 at 3:45 PM
To: Danielle Fugere <DFugere@asyousow.org>
Cc: "anthony.augliera@wellsfargo.com" <anthony.augliera@wellsfargo.com>, "mindi.ohayre@wellsfargo.com" <mindi.ohayre@wellsfargo.com>, Shareholder Engagement <shareholderengagement@asyousow.org>
Subject: Wells Fargo & Company - Shareholder Proposal Received on Nov. 6, 2020 - Notice of Deficiency

Ms. Fugere:

This email and attached notice of deficiency letter will confirm that Wells Fargo & Company received the shareholder proposal you submitted by email to the Corporate Secretary on November 6, 2020, and also brings to your attention per SEC rules the procedural deficiencies in your submission and the required timing for your response. A copy of this letter is also 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 Legal Department

Wells Fargo I 301 S. Tryon St., 11th Floor I Charlotte, NC 28202
MAC D1130-117 I Tel: 704.410.5082 I Fax: 877.572.7039

Willie.J.White@wellsfargo.com

November 27, 2020

HANDLERY HOTELS, INC
180 Geary Street, Suite 700
San Francisco, CA 94108

Reference #: AM-9637043
Account number ending in:
****-***
Questions: Contact your advisor or call Schwab Alliance at 1-800-515-2157.

As requested, we're confirming a stock holding in your account.

To whom it may concern,

As requested, we're writing to confirm that the above account holds in trust 8793 shares of WELLS FARGO & CO (WFC) common stock. These shares have been held in the account continuously for at least one year since November 6, 2019 .

These shares are held at Depository Trust Company under Charles Schwab & Co., Inc., which serves as custodian for the account.

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,

Seth Deibel

Seth Deibel
Manager, Institutional
IST PHOENIX SERVICE
2423 E Lincoln Dr
Phoenix, AZ 85016-1215

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

November 10, 2020

Anthony R. Augliera
Deputy General Counsel and Corporate Secretary
Wells Fargo & Company
MAC# D1130-117
301 South Tryon Street, 11th Floor
Charlotte, NC 28282

Dear Mr. Augliera:

Mercy Investment Services, Inc. ("Mercy"), as the investment program of the Sisters of Mercy of the Americas, has long been concerned not only with the financial returns of its investments, but also with the ethical implications of its investments. We believe that a demonstrated corporate responsibility in matters of the environment, social and governance concerns fosters long-term business success. Mercy, a long-term investor, is currently the beneficial owner of shares of Wells Fargo & Company ("Wells Fargo").

Mercy is co-filing the enclosed proposal requesting that Wells Fargo issue a report, at reasonable cost and omitting proprietary information, outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

Mercy is co-filing the enclosed shareholder proposal with lead filer As You Sow for inclusion in the 2021 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. Mercy has been a shareholder continuously for more than one year holding at least $2,000 in market value and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. A representative of the filers will attend the Annual Meeting to move the resolution as required by SEC rules. The verification of ownership by our custodian, a DTC participant, is enclosed with this letter. As You Sow may withdraw the proposal on our behalf. We respectfully request direct communications from Wells Fargo, and to have our supporting statement and organization name included in the proxy statement.

We look forward to having productive conversations with the company. Please direct your responses to me via my contact information below.

Best regards,

Mary Minette

Mary Minette
Director of Shareholder Advocacy
703-507-9651
mminette@mercyinvestments.org

Whereas: Banks play a critical role in meeting the Paris Agreement's goal of limiting global warming to 1.5 degrees Celsius, requiring net zero greenhouse gas (GHG) emissions by 2050. Limiting global warming at 1.5 versus 2 degrees will save $20 trillion globally by 2100.[1] Yet, as of 2019, the global financial system supports carbon producing activities that will cause global temperature rise greater than 4 degrees Celsius -- over double the limit necessary to avoid catastrophic warming.[2]

This carbon intensive funding creates systemic portfolio risks to the global economy, investors, and banks' profitability. The United States' Commodity Futures Trading Commission recently acknowledged that climate change creates significant risk and could impair the productive capacity of the U.S. economy.[3] Recognizing growing risk, the European Investment Bank, the biggest multilateral lender in the world, will stop funding fossil fuel projects in 2021.[4]

Wells' financing contributes substantially to global climate risk. It is the 2nd largest source of financing to fossil fuel companies globally, averaging over $49 billion annually since the Paris Agreement was signed.[5] Wells is already facing negative impacts from this; a second quarter $2.4 billion loss was attributed in significant part to loan losses in the oil and gas sector.[6]

In contrast, peer U.S. banks are beginning to address their financed GHG contributions. Morgan Stanley committed to reach net zero financed emissions by 2050.[7] JPMorgan made a Paris aligned financing commitment, with interim 2030 targets to be announced. Bloomberg noted the importance of interim targets, challenging banks to pursue 50 percent reductions by 2030.[8] BofA, Citigroup, and Morgan Stanley have joined other global banks in committing to measure and disclose their financed emissions through the Partnership for Carbon Accounting Financials (PCAF).[9]

While Wells has undertaken various climate related activities, including purchasing solar; issuing a climate risk report; creating climate committees; setting a $200 billion sustainable financing goal, including clean energy funding; and a statement of support for "the principles of

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[1] https://www.nature.com/articles/d41586-018-05219-5

[2] https://www.theguardian.com/business/2019/oct/15/bank-of-england-boss-warns-global-finance-it-is-funding-climate-crisis?CMP=Share_iOSApp_Other

[3] https://www.cftc.gov/sites/default/files/2020-09/9-9-20%20Report%20of%20the%20Subcommittee%20on%20Climate-Related%20Market%20Risk%20-%20Managing%20Climate%20Risk%20in%20the%20U.S.%20Financial%20System%20for%20posting.pdf

[4] https://www.ran.org/wp-content/uploads/2020/09/RAN_OCI_Fracking_Fiasco.pdf, p.7

[5] https://www.ran.org/wp-content/uploads/2020/03/Banking_on_Climate_Change__2020_vF.pdf

[6] https://www.washingtonpost.com/business/wells-fargo-loses-24-billion-in-2q-first-loss-since-2008/2020/07/14/dfe9b3f2-c5ce-11ea-a825-8722004e4150_story.html

[7] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate

[8] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate

[9] https://carbonaccountingfinancials.com/

the Paris Agreement," it has not indicated whether it will measure and disclose its financed GHG emissions or adopt Paris aligned net zero targets for its financed emissions.

Resolved: Shareholders request that Wells Fargo issue a report, at reasonable cost and omitting proprietary information, outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

Supporting Statement: Shareholders recommend the report disclose, among other issues, at board and management discretion:

- Whether the bank will join other peers in adopting the global PCAF measurement and reporting tool;
- Any other actions Wells Fargo is taking to measure and publicly disclose the GHG emissions associated with its financing activities;
- Whether the bank is considering setting Paris aligned, net zero targets, such as Science Based or other targets, and on what timeline, to reduce the carbon footprint of its lending activities.

NORTHERN TRUST

November 10, 2020

Anthony R. Augliera
Deputy General Counsel and Corporate Secretary
Wells Fargo & Company
MAC# D1130-117
301 South Tryon Street, 11th Floor
Charlotte, NC 28282

Re: Mercy Investment Services Inc.

Dear Anthony,

This letter will certify that as of November 10, 2020, Northern Trust held for the beneficial interest of Mercy Investment Services Inc., 174 shares of Wells Fargo & Company. We confirm that Mercy Investment Services Inc. has beneficial ownership of at least $2,000 in market value of the voting securities of Wells Fargo & Company, and that such beneficial ownership has existed continuously for at least one year including a one year period preceding and including November 10, 2020, in accordance with rule l4a-8 of the Securities Exchange Act of 1934. Further, it is Mercy Investment Services Inc., intent to hold at least $2,000 in market value through the next annual meeting.

We also confirm that as of the filing date, November 10, 2020, Mercy Investment Services Inc., held 68,289 additional shares of Wells Fargo & Company with a market value of $1,651,910.91.

Please be advised, Northern Trust is a DTC Participant, whose DTC number is 2669.

If you have any questions please feel free to give me a call.

Sincerely,

Joe Wilimczyk

Joe Wilimczyk
Officer
312 444 4146

From: Shaw, Christine <Christine.Shaw@ct.gov>
Sent: Thursday, November 12, 2020 10:37 AM
To: Augliera, Anthony R (Legal) <anthony.augliera@wellsfargo.com>
Cc: Danielle Fugere <DFugere@asyousow.org>; Investor Relations <InvestorRelations@wellsfargo.com>
Subject: Resolution co-filed by Connecticut Retirement Plans and Trust Funds

Good morning,

Attached you will find a letter and resolution that the Connecticut Retirement Plans and Trust Funds is co-filing with As You Sow, along with our custodian bank's letter verifying our funds' ownership. Original documents will be sent to you today via overnight mail.

Feel free to contact me should you have any questions.

Sincerely,

Christine

CHRISTINE SHAW, JD, MBA
Assistant Treasurer for Corporate Governance & Sustainable Investment
State of Connecticut Office of the Treasurer
Connecticut Retirement Plans & Trust Funds
165 Capitol Avenue, Hartford, CT 06106
Direct: (860) 702-3211 * Cell: (860) 966-9261 * Facsimile: (860) 702-3043
Christine.shaw@ct.gov

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SHAWN T. WOODEN
TREASURER

State of Connecticut
Office of the Treasurer

DARRELL V. HILL
DEPUTY TREASURER

November 12, 2020

Anthony R. Augliera
Deputy General Counsel and Corporate Secretary
Wells Fargo & Company
MAC# D1130-117
301 South Tryon Street, 11th Floor
Charlotte, NC 28282

Dear Mr. Augliera,

Please be advised that the Connecticut Retirement Plans and Trust Funds ("CRPTF") is co-filing the resolution submitted by As You Sow, a copy of which is attached.

As principal fiduciary of the CRPTF, I hereby certify that the CRPTF has held the mandatory minimum number of Wells Fargo & Company shares for the past year. Specifically, as of November 9, 2020, the CRPTF held 1,921,613 shares of Wells Fargo stock valued at approximately $46,541,467. The CRPTF will continue to hold the requisite number of shares of Wells Fargo through the date of the 2021 annual meeting.

CRPTF authorizes As You Sow to withdraw on our behalf if an agreement is reached.

If you have any questions concerning this resolution, please contact Christine Shaw, Assistant Treasurer for Corporate Governance & Sustainable Investment, at 860-702-3211 or Christine.Shaw@ct.gov.

Sincerely,

Shawn T. Wooden
State Treasurer

cc: Danielle Fugere, President
As You Sow

Whereas: Banks play a critical role in meeting the Paris Agreement's goal of limiting global warming to 1.5 degrees Celsius, requiring net zero greenhouse gas (GHG) emissions by 2050. Limiting global warming at 1.5 versus 2 degrees will save $20 trillion globally by 2100.[1] Yet, as of 2019, the global financial system supports carbon producing activities that will cause global temperature rise greater than 4 degrees Celsius -- over double the limit necessary to avoid catastrophic warming.[2]

This carbon intensive funding creates systemic portfolio risks to the global economy, investors, and banks' profitability. The United States' Commodity Futures Trading Commission recently acknowledged that climate change creates significant risk and could impair the productive capacity of the U.S. economy.[3] Recognizing growing risk, the European Investment Bank, the biggest multilateral lender in the world, will stop funding fossil fuel projects in 2021.[4]

Wells' financing contributes substantially to global climate risk. It is the 2nd largest source of financing to fossil fuel companies globally, averaging over $49 billion annually since the Paris Agreement was signed.[5] Wells is already facing negative impacts from this; a second quarter $2.4 billion loss was attributed in significant part to loan losses in the oil and gas sector.[6]

In contrast, peer U.S. banks are beginning to address their financed GHG contributions. Morgan Stanley committed to reach net zero financed emissions by 2050.[7] JPMorgan made a Paris aligned financing commitment, with interim 2030 targets to be announced. Bloomberg noted the importance of interim targets, challenging banks to pursue 50 percent reductions by 2030.[8] BofA, Citigroup, and Morgan Stanley have joined other global banks in committing to measure and disclose their financed emissions through the Partnership for Carbon Accounting Financials (PCAF).[9]

While Wells has undertaken various climate related activities, including purchasing solar; issuing a climate risk report; creating climate committees; setting a $200 billion sustainable financing goal, including clean energy funding; and a statement of support for "the principles of

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[1] https://www.nature.com/articles/d41586-018-05219-5
[2] https://www.theguardian.com/business/2019/oct/15/bank-of-england-boss-warns-global-finance-it-is-funding-climate-crisis?CMP=Share_iOSApp_Other
[3] https://www.cftc.gov/sites/default/files/2020-09/9-9-20%20Report%20of%20the%20Subcommittee%20on%20Climate-Related%20Market%20Risk%20-%20Managing%20Climate%20Risk%20in%20the%20U.S.%20Financial%20System%20for%20posting.pdf
[4] https://www.ran.org/wp-content/uploads/2020/09/RAN_OCI_Fracking_Fiasco.pdf, p.7
[5] https://www.ran.org/wp-content/uploads/2020/03/Banking_on_Climate_Change__2020_vF.pdf
[6] https://www.washingtonpost.com/business/wells-fargo-loses-24-billion-in-2q-first-loss-since-2008/2020/07/14/dfe9b3f2-c5ce-11ea-a825-8722004e4150_story.html
[7] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate
[8] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate
[9] https://carbonaccountingfinancials.com/

the Paris Agreement," it has not indicated whether it will measure and disclose its financed GHG emissions or adopt Paris aligned net zero targets for its financed emissions.

Resolved: Shareholders request that Wells Fargo issue a report, at reasonable cost and omitting proprietary information, outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

Supporting Statement: Shareholders recommend the report disclose, among other issues, at board and management discretion:

- Whether the bank will join other peers in adopting the global PCAF measurement and reporting tool;
- Any other actions Wells Fargo is taking to measure and publicly disclose the GHG emissions associated with its financing activities;
- Whether the bank is considering setting Paris aligned, net zero targets, such as Science Based or other targets, and on what timeline, to reduce the carbon footprint of its lending activities.

BNY MELLON

November 12, 2020

Mr. Anthony R. Augliera
Deputy General Counsel and Corporate Secretary
Wells Fargo & Company
MAC# D1130-117
301 South Tryon Street, 11th Floor
Charlotte, NC 28282
anthony.augliera@wellsfargo.com
cc: investorrelations@wellsfargo.com

RE: Connecticut Retirement Plans and Trust Funds / Wells Fargo & Company
BNYM Account: ***

Dear Mr. Augliera,

BNYM is the record owner of common stock ("Shares") of Wells Fargo & Company, beneficially owned by The State of Connecticut Acting through its Treasurer. BNY Mellon holds the shares with the Depository Trust Company, in participant 901. The Client has held share of Wells Fargo & Company, (CUSIP # 949746101] with a market value greater than $2,000.00 continuously for more than one year as of November 12, 2020.

Please do not hesitate to contact BNYM should you have any questions or concerns.

Regards,

A. Cecilia Morris

Aurelia C. Morris
The Bank of New York Mellon
Proxy Team Lead
PXRPT@bnymellon.com

From: Natasha Lamb <natasha@arjuna-capital.com>
Sent: Thursday, November 12, 2020 7:42 PM
To: Augliera, Anthony R (Legal) <anthony.augliera@wellsfargo.com>; Schaffner, Mary (Legal) <Mary.E.Schaffner@wellsfargo.com>
Cc: Julia Frost <julia@arjuna-capital.com>; Alfa Zimmerman <alfa@arjuna-capital.com>
Subject: Re: Shareholder Proposal - Financed Emissions

Please find the attachment here.

From: Natasha Lamb <natasha@arjuna-capital.com>
Date: Thursday, November 12, 2020 at 7:35 PM
To: anthony.augliera@wellsfargo.com <anthony.augliera@wellsfargo.com>, Mary.E.Schaffner@wellsfargo.com <Mary.E.Schaffner@wellsfargo.com>
Cc: Julia Frost <julia@arjuna-capital.com>, Alfa Zimmerman <alfa@arjuna-capital.com>
Subject: Shareholder Proposal - Financed Emissions

Dear Mary,

Please find enclosed a shareholder proposal, submitted for inclusion in Wells Fargo & Company's 2021 proxy statement, for which Arjuna is the lead filer on behalf of Judith Ellen Bamburg. A paper copy was also mailed via FedEx today to arrive tomorrow. Please confirm receipt of this email.

As always, I would welcome discussion with your team about the contents of the proposal.

Best Regards,

Natasha

ARJUNA CAPITAL
ENLIGHTENED INVESTING

Natasha Lamb
MANAGING PARTNER / PORTFOLIO MANAGER

WWW.ARJUNA-CAPITAL.COM
natasha@arjuna-capital.com
978.704.0114

ARJUNA CAPITAL

ENLIGHTENED INVESTING

November 12, 2020

VIA FEDEX OVERNIGHT

Wells Fargo & Company
Anthony R. Augliera, Corporate Secretary
MAC# D1130-117
301 South Tryon Street, 11th Floor
Charlotte, North Carolina 28282

Dear Mr. Augliera,

Arjuna Capital is an investment firm focused on sustainable and impact investing.

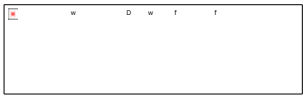
I am hereby authorized to notify you of our intention to co-file, along with lead-filer As You Sow, the enclosed shareholder resolution with Wells Fargo & Company (WFC) on behalf of our client Judith Ellen Bamburg. Arjuna Capital submits this shareholder proposal for inclusion in the 2021 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934 (17 C.F.R. § 240.14a-8). Per Rule 14a-8, Judith Ellen Bamburg holds more than $2,000 of WFC common stock, acquired more than one year prior to today's date and held continuously for that time. Our client will remain invested in this position continuously through the date of the 2021 annual meeting.

Enclosed please find verification of this position and a letter from Judith Ellen Bamburg authorizing Arjuna Capital to undertake this filing on her behalf. A representative will attend the stockholders' meeting to move the shareholder proposal as required by the SEC rules.

We would welcome discussion with Wells Fargo & Company about the contents of the proposal and authorize As You Sow to withdraw the proposal on our behalf if an agreement is reached.

Please direct any written communications to me at the address below or to *natasha@arjuna-capital.com*. Please also confirm receipt of this letter via email.

Sincerely,



Natasha Lamb
Managing Partner
Arjuna Capital
1 Elm Street
Manchester, MA 01944

Enclosures

Whereas: Banks play a critical role in meeting the Paris Agreement's goal of limiting global warming to 1.5 degrees Celsius, requiring net zero greenhouse gas (GHG) emissions by 2050. Limiting global warming at 1.5 versus 2 degrees will save $20 trillion globally by 2100.[1] Yet, as of 2019, the global financial system supports carbon producing activities that will cause global temperature rise greater than 4 degrees Celsius -- over double the limit necessary to avoid catastrophic warming.[2]

This carbon intensive funding creates systemic portfolio risks to the global economy, investors, and banks' profitability. The United States' Commodity Futures Trading Commission recently acknowledged that climate change creates significant risk and could impair the productive capacity of the U.S. economy.[3] Recognizing growing risk, the European Investment Bank, the biggest multilateral lender in the world, will stop funding fossil fuel projects in 2021.[4]

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In contrast, peer U.S. banks are beginning to address their financed GHG contributions. Morgan Stanley committed to reach net zero financed emissions by 2050.[7] JPMorgan made a Paris aligned financing commitment, with interim 2030 targets to be announced. Bloomberg noted the importance of interim targets, challenging banks to pursue 50 percent reductions by 2030.[8] BofA, Citigroup, and Morgan Stanley have joined other global banks in committing to measure and disclose their financed emissions through the Partnership for Carbon Accounting Financials (PCAF).[9]

While Wells has undertaken various climate related activities, including purchasing solar; issuing a climate risk report; creating climate committees; setting a $200 billion sustainable financing goal, including clean energy funding; and a statement of support for "the principles of

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[1] https://www.nature.com/articles/d41586-018-05219-5
[2] https://www.theguardian.com/business/2019/oct/15/bank-of-england-boss-warns-global-finance-it-is-funding-climate-crisis?CMP=Share_iOSApp_Other
[3] https://www.cftc.gov/sites/default/files/2020-09/9-9-20%20Report%20of%20the%20Subcommittee%20on%20Climate-Related%20Market%20Risk%20-%20Managing%20Climate%20Risk%20in%20the%20U.S.%20Financial%20System%20for%20posting.pdf
[4] https://www.ran.org/wp-content/uploads/2020/09/RAN_OCI_Fracking_Fiasco.pdf, p.7
[5] https://www.ran.org/wp-content/uploads/2020/03/Banking_on_Climate_Change__2020_vF.pdf
[6] https://www.washingtonpost.com/business/wells-fargo-loses-24-billion-in-2q-first-loss-since-2008/2020/07/14/dfe9b3f2-c5ce-11ea-a825-8722004e4150_story.html
[7] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate
[8] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate
[9] https://carbonaccountingfinancials.com/

the Paris Agreement," it has not indicated whether it will measure and disclose its financed GHG emissions or adopt Paris aligned net zero targets for its financed emissions.

Resolved: Shareholders request that Wells Fargo issue a report, at reasonable cost and omitting proprietary information, outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

Supporting Statement: Shareholders recommend the report disclose, among other issues, at board and management discretion:

- Whether the bank will join other peers in adopting the global PCAF measurement and reporting tool;
- Any other actions Wells Fargo is taking to measure and publicly disclose the GHG emissions associated with its financing activities;
- Whether the bank is considering setting Paris aligned, net zero targets, such as Science Based or other targets, and on what timeline, to reduce the carbon footprint of its lending activities.

11/09/2020

Natasha Lamb
Managing Partner
Arjuna Capital
1 Elm Street
Manchester, MA 01944

Dear Ms. Lamb,

I hereby authorize Arjuna Capital to file a shareholder proposal on my behalf at Wells Fargo & Co (WFC) for the company's annual meeting in 2021, regarding if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's Net Zero goal.

I am the beneficial owner of more than $2,000 worth of common stock in Wells Fargo & Co (WFC) that I have held continuously for more than one year. I intend to hold the aforementioned shares of stock through the date of the company's annual meeting in 2021.

I specifically give Arjuna Capital full authority to deal, on my behalf, with any and all aspects of the aforementioned shareholder proposal. I understand that my name may appear on the corporation's proxy statement as the filer of the aforementioned proposal.

Sincerely,

Judith Ellen Bamburg

c/o Arjuna Capital
1 Elm Street
Manchester, MA 01944

citrix | RightSignature

SIGNATURE CERTIFICATE

REFERENCE NUMBER
3DB43F2C 22CA 467A 9B2E A5042AC510A4

TRANSACTION DETAILS	DOCUMENT DETAILS
Reference Number 3DB43F2C-22CA-467A-9B2E-A5042AC510A4	**Document Name** C e Au o za o Fo Ba bu g WFC E ss o s 2021
Transaction Type S g a u e Reques	**Filename** c e au o za o fo ba bu g wfc e ss o s 2021 docx
Sent At 11/09/2020 15 11 ES	**Pages** 1 page
Executed At 11/09/2020 20 20 ES	**Content Type** app ca o /v d ope x fo a s-off cedocu e wo dp ocess g docu e
Identity Method e a	**File Size** 21 2 KB
Distribution Method e a	**Original Checksum** b ea 4 7c 48 b7b cfb 07a04c 7ace04a bee7 7ffcee 4 c8
Signed Checksum 0acc0 8c4ace b80 ec4a 0a fe a4e 07740 cfb fe ceb0 a0	
Signer Sequencing D sab ed	
Document Passcode D sab ed	

SIGNERS

SIGNER	E-SIGNATURE	EVENTS
Name Jud E e Ba bu g	**Status** s g ed	**Viewed At** 11/09/2020 20 18 ES
Email ba bu g@g a co	**Multi-factor Digital Fingerprint Checksum** 48 e c0 e 00 bfefb7 b 04fa aaa 0ba b ba 0 a f7 ca 8b	**Identity Authenticated At** 11/09/2020 20 20 ES
Components 2	**IP Address** 73 35 240 88	**Signed At** 11/09/2020 20 20 ES
	Device C o e v a W dows	
	Drawn Signature 	
	Signature Reference ID F39D8B7D	
	Signature Biometric Count 685	

AUDITS

TIMESTAMP	AUDIT
11/09/2020 15 11 ES	A fa Z e a (a fa@a u a-cap a co) c ea ed docu e c e au o za o fo ba bu g wfc e ss o s 2021 docx o C o e v a Mac f o 73 218 37 147
11/09/2020 15 11 ES	Jud E e Ba bu g (ba bu g@g a co) was e a ed a k o s g
11/09/2020 20 18 ES	Jud E e Ba bu g (ba bu g@g a co) v ewed e docu e o C o e v a W dows f o 73 35 240 88
11/09/2020 20 20 ES	Jud E e Ba bu g (ba bu g@g a co) au e ca ed v a e a o C o e v a W dows f o 73 35 240 88
11/09/2020 20 20 ES	Jud E e Ba bu g (ba bu g@g a co) s g ed e docu e o C o e v a W dows f o 73 35 240 88

charles SCHWAB

November 12, 2020

TO WHOM IT MAY CONCERN:

Re: Account ***
Harold B. Bamburg Revocable Trust U/A DTD 10/29/1997

This letter is to confirm that Charles Schwab & Co. is the record holder for the beneficial owner of the account above (***), which Arjuna Capital manages and which holds 116 shares of common stock in Wells Fargo & Co. (WFC).

As of November 12, 2020, the Harold B. Bamburg Revocable Trust held, and has held continuously for at least one year, 116 shares of WFC stock.

This letter serves as confirmation that the account holder listed above is the beneficial owner of the above referenced stock.

Sincerely,

John Gast

John Gast
Relationship Specialist/Advisor Services

Case ID # **AM-9320295**

citrix | RightSignature

SIGNATURE CERTIFICATE

REFERENCE NUMBER
85F764C3 4A2E 4751 ADAF 26FDDD3B50F3

TRANSACTION DETAILS

Reference Number
85F764C3-4A2E-4751-ADAF-26FDDD3B50F3

Transaction Type
S g a u e Reques

Sent At
11/12/2020 11 55 ES

Executed At
11/12/2020 12 29 ES

Identity Method
e a

Distribution Method
e a

Signed Checksum
40 c8 b 0 f870e 8cc 070047a b 74 4 f b7 b e cec

Signer Sequencing
D sab ed

Document Passcode
D sab ed

DOCUMENT DETAILS

Document Name
Ba bu g Wfc

Filename
ba bu g wfc doc

Pages
1 page

Content Type
app ca o / swo d

File Size
68 KB

Original Checksum
ee b8 b 0 c4a 0cacc8 fcff f 87eea0 ae 00bfb a 8c a 0 7

SIGNERS

SIGNER

Name
Jo Gas

Email
o gas @sc wab co

Components
1

E-SIGNATURE

Status
s g ed

Multi-factor Digital Fingerprint Checksum
7 0ffb7 8b f07f f4a8 e7 0887b4 f 0 7 a bc87 00

IP Address
162 93 65 7

Device
C o e v a W dows

Typed Signature

Signature Reference ID
372C9A56

EVENTS

Viewed At
11/12/2020 12 29 ES

Identity Authenticated At
11/12/2020 12 29 ES

Signed At
11/12/2020 12 29 ES

AUDITS

TIMESTAMP	AUDIT
11/12/2020 11 55 ES	A fa Z e a (a fa@a u a-cap a co) c ea ed docu e ba bu g wfc doc o C o e v a Mac f o 73 218 37 147
11/12/2020 11 55 ES	Jo Gas (o gas @sc wab co) was e a ed a k o s g
11/12/2020 12 29 ES	Jo Gas (o gas @sc wab co) v ewed e docu e o C o e v a W dows f o 162 93 65 7
11/12/2020 12 29 ES	Jo Gas (o gas @sc wab co) au e ca ed v a e a o C o e v a W dows f o 162 93 65 7
11/12/2020 12 29 ES	Jo Gas (o gas @sc wab co) s g ed e docu e o C o e v a W dows f o 162 93 65 7

Sisters of the Holy Names
of Jesus and Mary
U.S.-Ontario

November 12, 2020

Anthony R. Augliera
Deputy General Counsel & Corporate Secretary
Wells Fargo & Company
MAC# D1130-117
301 South Tryon Street, 11th Floor
Charlotte, NC 28282

Dear Mr. Augliera,

The Sisters of the Holy Names of Jesus and Mary believe that banks play a critical role in meeting the Paris Agreement's goal of limiting global warming to 1.5°C, which will require net zero GHG emissions by 2050. Therefore, we are requesting a report outlining how Wells Fargo plans to meet this goal.

The Sisters of the Holy Names of Jesus and Mary U.S. - Ontario Province Corporation is co-filing the enclosed resolution with As You Sow for inclusion in the 2021 proxy statement in accordance with rule 14a-8 of the general rules and regulations of the Securities and Exchange Act of 1934. A representative of the filers will attend the annual meeting to move the resolution as required by SEC Rules.

As of November 12, 2020, the Sisters of the Holy Names of Jesus and Mary - U.S. Ontario Province Corporation held, and has held continuously for at least one year, 17,500 shares of the Wells Fargo & Company common stock. A letter verifying ownership in the Company is enclosed. We will continue to hold the required number of shares in the Wells Fargo & Company through the annual meeting in 2021.

We authorize the lead filer on this resolution, As You Sow, to withdraw on our behalf if an agreement is reached. Please copy me on all communications: Vicki Cummings, vcummings@snjmuson.org

Sincerely,

Vicki Cummings

Vicki L. Cummings
Chief Financial Officer

Encl: Shareholder Resolution
Verification of Ownership

Finance Office, U.S.-Ontario Province Administrative Centre
PO Box 398, Marylhurst, OR 97036 · 503-675-7100 · info@snjmuson.org
snjmusontario.org

Whereas: Banks play a critical role in meeting the Paris Agreement's goal of limiting global warming to 1.5 degrees Celsius, requiring net zero greenhouse gas (GHG) emissions by 2050. Limiting global warming at 1.5 versus 2 degrees will save $20 trillion globally by 2100.[1] Yet, as of 2019, the global financial system supports carbon producing activities that will cause global temperature rise greater than 4 degrees Celsius -- over double the limit necessary to avoid catastrophic warming.[2]

This carbon intensive funding creates systemic portfolio risks to the global economy, investors, and banks' profitability. The United States' Commodity Futures Trading Commission recently acknowledged that climate change creates significant risk and could impair the productive capacity of the U.S. economy.[3] Recognizing growing risk, the European Investment Bank, the biggest multilateral lender in the world, will stop funding fossil fuel projects in 2021.[4]

Wells' financing contributes substantially to global climate risk. It is the 2nd largest source of financing to fossil fuel companies globally, averaging over $49 billion annually since the Paris Agreement was signed.[5] Wells is already facing negative impacts from this; a second quarter $2.4 billion loss was attributed in significant part to loan losses in the oil and gas sector.[6]

In contrast, peer U.S. banks are beginning to address their financed GHG contributions. Morgan Stanley committed to reach net zero financed emissions by 2050.[7] JPMorgan made a Paris aligned financing commitment, with interim 2030 targets to be announced. Bloomberg noted the importance of interim targets, challenging banks to pursue 50 percent reductions by 2030.[8] BofA, Citigroup, and Morgan Stanley have joined other global banks in committing to measure and disclose their financed emissions through the Partnership for Carbon Accounting Financials (PCAF).[9]

While Wells has undertaken various climate related activities, including purchasing solar; issuing a climate risk report; creating climate committees; setting a $200 billion sustainable financing goal, including clean energy funding; and a statement of support for "the principles of

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[1] https://www.nature.com/articles/d41586-018-05219-5

[2] https://www.theguardian.com/business/2019/oct/15/bank-of-england-boss-warns-global-finance-it-is-funding-climate-crisis?CMP=Share_iOSApp_Other

[3] https://www.cftc.gov/sites/default/files/2020-09/9-9-20%20Report%20of%20the%20Subcommittee%20on%20Climate-Related%20Market%20Risk%20-%20Managing%20Climate%20Risk%20in%20the%20U.S.%20Financial%20System%20for%20posting.pdf

[4] https://www.ran.org/wp-content/uploads/2020/09/RAN_OCI_Fracking_Fiasco.pdf, p.7

[5] https://www.ran.org/wp-content/uploads/2020/03/Banking_on_Climate_Change__2020_vF.pdf

[6] https://www.washingtonpost.com/business/wells-fargo-loses-24-billion-in-2q-first-loss-since-2008/2020/07/14/dfe9b3f2-c5ce-11ea-a825-8722004e4150_story.html

[7] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate

[8] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate

[9] https://carbonaccountingfinancials.com/

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Resolved: Shareholders request that Wells Fargo issue a report, at reasonable cost and omitting proprietary information, outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

Supporting Statement: Shareholders recommend the report disclose, among other issues, at board and management discretion:

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- Any other actions Wells Fargo is taking to measure and publicly disclose the GHG emissions associated with its financing activities;
- Whether the bank is considering setting Paris aligned, net zero targets, such as Science Based or other targets, and on what timeline, to reduce the carbon footprint of its lending activities.

BNY MELLON

BNY Mellon Asset Servicing
240 Greenwich St., 101-0600
New York, NY 10286

November 12, 2020

To Whom It May Concern:

This letter is to verify that Sisters of the Holy Names of Jesus & Mary owns 17,500 shares of Wells Fargo & Co. common stock. Furthermore, the Sisters of the Holy Names of Jesus & Mary has held shares of Wells Fargo & Co. continuously since before October 2009 up to and including the record date of November 12, 2020. Sisters of the Holy Names of Jesus & Mary will continue to hold at least the minimum number of shares required through the time of the company's next annual meeting.

This security is currently held by Bank of New York Mellon who serves as custodian for Sisters of the Holy Names of Jesus and Mary. The shares are registered in our nominee name at the Bank of New York Mellon. Please note that the Bank of New York Mellon is a DTC participant.

Sincerely

MT Shayne

Michael T. Shayne, Vice President
BNY Mellon – Asset Servicing
101 Barclay Street
New York, NY 10286
michael.shayne@bnymellon.com

DAUGHTERS of CHARITY

PROVINCE of ST. LOUISE

November 11, 2020

Anthony Augliera, Corporate Secretary
Wells Fargo & Company
301 South Tryon St.
MAC# D1130-117
11th Floor
Charlotte, NC 28282

Dear Mr. Augliera:

Daughters of Charity, Inc. ("Daughters of Charity") has long been concerned not only with the financial returns of its investments, but also with the social and ethical implications of its investments. We believe that a demonstrated corporate responsibility in matters of the environment, social and governance concerns fosters long-term business success. Daughters of Charity is currently the beneficial owner of shares of Wells Fargo.

Daughters of Charity is co-filing the enclosed proposal requesting that Wells Fargo issue a report, at reasonable cost and omitting proprietary information, outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

Daughters of Charity is co-filing this proposal submission with lead filer As You Sow. The enclosed proposal is for inclusion in the 2021 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. Daughters of Charity has been a shareholder continuously for more than one year holding at least $2,000 in market value and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. The verification of ownership by our custodian, a DTC participant, is enclosed with this letter. As You Sow may withdraw the proposal on our behalf. We respectfully request direct communications from Wells Fargo, and to have our supporting statement and organization name included in the proxy statement.

We look forward to having productive conversations with the company. Please direct future correspondence to Mary Minette, who will be working on behalf of the Daughters of Charity, Province of St. Louise. Her contact information is: phone – 703-507-9651; email - mminette@mercyinvestments.org; address - 2039 No. Geyer Rd., St. Louis, MO 63131.

Best regards,

Sister Teresa George

Sister Teresa George, D.C.
Provincial Treasurer
Daughters of Charity, Province of St. Louise

Whereas: Banks play a critical role in meeting the Paris Agreement's goal of limiting global warming to 1.5 degrees Celsius, requiring net zero greenhouse gas (GHG) emissions by 2050. Limiting global warming at 1.5 versus 2 degrees will save $20 trillion globally by 2100.[1] Yet, as of 2019, the global financial system supports carbon producing activities that will cause global temperature rise greater than 4 degrees Celsius -- over double the limit necessary to avoid catastrophic warming.[2]

This carbon intensive funding creates systemic portfolio risks to the global economy, investors, and banks' profitability. The United States' Commodity Futures Trading Commission recently acknowledged that climate change creates significant risk and could impair the productive capacity of the U.S. economy.[3] Recognizing growing risk, the European Investment Bank, the biggest multilateral lender in the world, will stop funding fossil fuel projects in 2021.[4]

Wells' financing contributes substantially to global climate risk. It is the 2nd largest source of financing to fossil fuel companies globally, averaging over $49 billion annually since the Paris Agreement was signed.[5] Wells is already facing negative impacts from this; a second quarter $2.4 billion loss was attributed in significant part to loan losses in the oil and gas sector.[6]

In contrast, peer U.S. banks are beginning to address their financed GHG contributions. Morgan Stanley committed to reach net zero financed emissions by 2050.[7] JPMorgan made a Paris aligned financing commitment, with interim 2030 targets to be announced. Bloomberg noted the importance of interim targets, challenging banks to pursue 50 percent reductions by 2030.[8] BofA, Citigroup, and Morgan Stanley have joined other global banks in committing to measure and disclose their financed emissions through the Partnership for Carbon Accounting Financials (PCAF).[9]

While Wells has undertaken various climate related activities, including purchasing solar; issuing a climate risk report; creating climate committees; setting a $200 billion sustainable financing goal, including clean energy funding; and a statement of support for "the principles of

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[1] https://www.nature.com/articles/d41586-018-05219-5

[2] https://www.theguardian.com/business/2019/oct/15/bank-of-england-boss-warns-global-finance-it-is-funding-climate-crisis?CMP=Share_iOSApp_Other

[3] https://www.cftc.gov/sites/default/files/2020-09/9-9-20%20Report%20of%20the%20Subcommittee%20on%20Climate-Related%20Market%20Risk%20-%20Managing%20Climate%20Risk%20in%20the%20U.S.%20Financial%20System%20for%20posting.pdf

[4] https://www.ran.org/wp-content/uploads/2020/09/RAN_OCI_Fracking_Fiasco.pdf, **p.7**

[5] https://www.ran.org/wp-content/uploads/2020/03/Banking_on_Climate_Change__2020_vF.pdf

[6] https://www.washingtonpost.com/business/wells-fargo-loses-24-billion-in-2q-first-loss-since-2008/2020/07/14/dfe9b3f2-c5ce-11ea-a825-8722004e4150_story.html

[7] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate

[8] https://www.bloomberg.com/news/articles/2020-10-30/it-s-hard-to-tell-how-serious-wall-street-is-about-climate

[9] https://carbonaccountingfinancials.com/

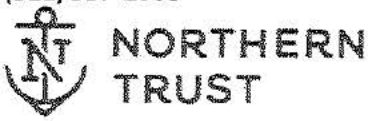
the Paris Agreement," it has not indicated whether it will measure and disclose its financed GHG emissions or adopt Paris aligned net zero targets for its financed emissions.

Resolved: Shareholders request that Wells Fargo issue a report, at reasonable cost and omitting proprietary information, outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

Supporting Statement: Shareholders recommend the report disclose, among other issues, at board and management discretion:

- Whether the bank will join other peers in adopting the global PCAF measurement and reporting tool;
- Any other actions Wells Fargo is taking to measure and publicly disclose the GHG emissions associated with its financing activities;
- Whether the bank is considering setting Paris aligned, net zero targets, such as Science Based or other targets, and on what timeline, to reduce the carbon footprint of its lending activities.

50 South La Salle Street
Chicago, Illinois 60603
(312) 557-2000



November 11, 2020

Anthony Augliera, Corporate Secretary
Wells Fargo & Company
301 South Tryon St.
MAC# D1130-117
11th Floor
Charlotte, NC 28282

Re: Certification of Ownership: Daughters of Charity Inc. Account Number ***

This letter will certify that as of November 11, 2020 The Northern Trust Company held for the beneficial interest of The Daughters of Charity Inc. 145 shares of Wells Fargo (CUSIP: 949746101).

We confirm that the Daughters of Charity has beneficial ownership of the voting Wells Fargo and that such beneficial ownership has existed continuously since October 26, 2017 in accordance with rule 14a-8(a)(I) of the Securities Exchange Act of 1934.

Further, it is the intent to hold at least $2,000 in market value through the next annual meeting.

Please be advised, Northern Trust Securities Inc., employs National Financial Services for clearing purposes. National Financial Services DTC number is 0226.

If you have any questions, please feel free to give me a call.

Best,

Ava Gordon

Amg14@ntrs.com
312-557-6336