GIBSON DUNN

Lori Zyskowski
Partner
T: +1 212.351.2309
LZyskowski@gibsondunn.com

February 21, 2025

VIA ONLINE SUBMISSION

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 Harrington Investments, Inc.
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 2025 Annual Meeting of Shareholders (collectively, the "2025 Proxy Materials") a shareholder proposal (the "Proposal") and statements in support thereof (the "Supporting Statement") received from Harrington Investments, Inc. (the "Proponent").

Consistent with Rule 14a-8(j), we have concurrently sent a copy of this correspondence to the Proponent.

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 Securities and Exchange Commission (the "Commission") or the staff of the Division of Corporation Finance (the "Staff"). Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to this Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

The Proposal states:

> Resolved: Shareholders request that Wells Fargo report to shareholders annually, at reasonable expense and excluding confidential information, a congruency analysis between corporate values as defined by Wells Fargo's stated policies and Company contributions on electioneering and to any organizations dedicated to affecting public policy. The report should include a list of any such contributions occurring during the prior year misaligned with stated corporate values, stating the justification for such exceptions.

The Supporting Statement further provides that:

> "Electioneering expenditures" means spending, from corporate treasury and from the PAC, directly or through a third party, at any time during the year, on printed, internet, or broadcast communications, which are reasonably susceptible to interpretation as being in support of or opposition to a specific candidate.

A copy of the Proposal and the Supporting Statement 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 be excluded from the 2025 Proxy Materials pursuant to Rule 14a-8(i)(5) because the Proposal relates to operations of the Company that account for less than five percent of the Company's total assets, net earnings, and gross sales, and the Proposal is not otherwise significantly related to the Company's business.

ANALYSIS

I. The Proposal May Be Excluded Under Rule 14a-8(i)(5) Because It Relates To Operations That Account For Less Than Five Percent Of The Company's Total Assets, Net Earnings, And Gross Sales, And Is Not Otherwise Significantly Related To The Company's Business.

A. Background On Rule 14a-8(i)(5).

Rule 14a-8(i)(5) provides that a shareholder proposal may be excluded "[i]f the proposal relates to operations which account for less than 5 percent of the company's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings, and gross sales for its most recent fiscal year, and is not otherwise significantly related to the company's business." Historically, issues of broad social or ethical concern were often determined by the Staff to be "otherwise significantly related to the company's business" regardless of the economic relevance of such matter to a company. In Staff Legal Bulletin No. 14M (Feb. 12, 2025) ("SLB 14M"), the Staff explained that in interpreting Rule 14a-8(i)(5) going forward, it "will focus on a proposal's significance to the company's business when it otherwise relates to operations that account for less than 5% of total assets, net earnings and gross sales." The Staff noted that under this framework, "proposals that raise issues of social or ethical significance may be excludable, notwithstanding their importance in the abstract, based on the application and analysis of each of the factors of Rule 14a-8(i)(5) in determining the proposal's relevance to the company's business." *Id.* In addition, the Staff stated that "[w]here a proposal's significance to a company's business is not apparent on its face . . . [it] may be excludable unless the proponent demonstrates that it is 'otherwise significantly related to the company's business'" and "[t]he mere possibility of

reputational or economic harm alone will not demonstrate that a proposal is 'otherwise significantly related to the company's business.'" *Id.*

B. The Proposal Relates To Operations That Account For Less Than Five Percent Of The Company's Total Assets, Net Earnings, And Gross Sales.

The Proposal relates to operations that account for less than five percent of the Company's total assets, net earnings, and gross sales. Specifically, the Proposal requests a report analyzing the congruency between corporate values as defined by the Company's stated policies and Company contributions (i) related to electioneering and (ii) to any organizations dedicated to affecting public policy. As reported in the Company's earnings release for the year ended December 31, 2024 (the Company's most recently completed full fiscal year for which data is publicly available, or the "2024 Fiscal Year"), the Company reported approximately $1.9 trillion in total assets, approximately $19.7 billion in net income, and approximately $82 billion in total revenues.

During the 2024 Fiscal year, the Company did not make any "electioneering expenditures" as defined in the Proposal. The aggregate dollar value of "Company contributions . . . to any organizations dedicated to affecting public policy" during the 2024 Fiscal Year, including payment of membership dues to the Company's principal public-policy oriented trade associations, was equivalent to significantly less than 1% of the Company's total assets at the end of the 2024 Fiscal year, and significantly less than 1% of the Company's net income and 1% of the Company's total revenues, in each case for the 2024 Fiscal Year. These amounts are *de minimis* when measured against the scale of the Company's business operations, and the Company expects the amount of such contributions to represent a similarly insignificant percentage based on the Company's total assets, net earnings, and gross sales for fiscal year 2025.

Accordingly, the Proposal does not relate to Company operations that are economically significant to the Company and therefore may be excluded under the first prong of the Rule 14a-8(i)(5) test.

C. The Proposal Is Not Otherwise Significantly Related To The Company's Business.

Even when a proposal relates to operations that are not economically significant to a company, Rule 14a-8(i)(5) provides that a proposal may not be excluded if it is "otherwise significantly related to the company's business." In SLB 14M, the Staff indicated that determining whether a proposal is otherwise significantly related to the company's business is "dependent upon the particular circumstances of the company to which the proposal is submitted," and that the proponent must "tie those matters to a significant effect on the company's business." *Id.* Based on a careful evaluation of the Proposal and consideration of the nature of the Company's expenditures related to public policy advocacy, the Proposal is not significantly related to the Company's business. This determination is supported by various factors, including:

- **The Company Does Not Engage in "Electioneering"**: The Company did not make any direct "electioneering expenditures," as defined in the Proposal, during the 2024 Fiscal year. In general, the Company does not use corporate money or resources to influence U.S. domestic or non-U.S. candidate elections, which includes assisting candidate campaign committees, political parties, caucuses, independent expenditure, or other political committees. As such, the Proposal's focus on the potential for perceived incongruencies between the Company's public positions and its electioneering expenditures does not present a significant issue as to the business operations of the Company.

- **Contributions From Employee Political Action Committees Are Already Subject To Publicly Available Criteria And Guidelines**: The Company sponsors political action committees (the "Wells Fargo PACs") that make contributions to candidates and only accept funding through voluntary contributions by eligible employees and directors. Although these activities fall outside the scope of the Proposal's request, and are not direct contributions from the Company, the total amount disbursed by Wells Fargo PACs in the 2024 Fiscal Year was significantly less than 1% of total assets at the end of the 2024 Fiscal Year, and significantly less than 1% of net income and 1% of total revenues, in each case for the 2024 Fiscal Year. The Company has established and published criteria guiding decision-making for supporting candidates through the Wells Fargo PACs, which includes supporting candidates who: represent the communities where the Company has a large presence, understand the important role the financial services industry plays in the economy, are in legislative or political leadership roles, or serve on important committees that have jurisdiction over issues that impact the financial services sector. These criteria relate to routine ordinary business matters, which, in light of the de minimis economic significance of these contributions to the Company's business, are not indicative of an issue that is otherwise significant to the business operations of the Company. Furthermore, all Wells Fargo PACs report to the Federal Elections Committee and/or to state agencies as required by law, and the Company already publishes a summary of all campaign disbursements by employee-funded Wells Fargo PACs on its website.[1] Because the Company already discloses decision-making criteria for the Wells Fargo PACs and the political disbursements of employee-funded Wells Fargo PACs, the information requested by the Proposal would not provide additional material information beyond what the Company already provides.

- **The Company's Trade Association Memberships Relate To Ordinary Business**: The Company engages in public policy advocacy on issues that impact its business at the local, state, and federal levels, including through membership in financial services industry trade associations. It is customary for corporations in the financial services industry and of the Company's size to maintain membership in a number of

[1] Available at https://www.wellsfargo.com/about/responsibility-and-impact/government-relations/.

trade associations. Given the nature of the Company's business as a global financial institution evolving to meet the financial needs of customers, clients, and communities, the Company believes it is important to engage on a broad range of topics for ordinary business purposes. These are routine business considerations, which, in light of the quantitative analysis under the first prong of Rule 14a-8(i)(5), are not indicative of an issue that is otherwise significant to the business operations of the Company.

- **Shareholders Generally Have Not Raised This Issue**: At the Company's 2024 and 2023 annual meetings of shareholders, shareholders voted on proposals substantially similar to the Proposal (respectively, the "2024 Proposal" and the "2023 Proposal"). Neither the 2024 Proposal nor the 2023 Proposal received majority support, with shareholder support for the proposal declining year-over-year. Following the Company's 2024 annual meeting of shareholders, the Company contacted institutional investors representing approximately 61% of total outstanding shares and ultimately engaged with shareholders representing approximately 58% of outstanding shares, as of December 31, 2024. During these engagements, shareholders generally did not convey expectations for the report requested by the Proposal, indicating that shareholders generally do not view the congruency analysis requested by the Proposal as significant to the Company's business.

- **The Company's Board Oversight And Existing Disclosures Already Adequately Address The Proposal's Concerns**: The Company's board of directors and its committees oversee the Company's significant strategies, policies, and programs on government relations and also monitor significant public policy developments. The Company's Government Relations and Public Policy ("GRPP") team is responsible for managing the development and execution of strategies that advance the Company's public policy priorities. The Head of GRPP reports to the Head of Public Affairs, who directly reports to the Company's Chief Executive Officer. Moreover, the Company already discloses detailed information regarding its federal, state, and local lobbying activities, the Company's memberships in principal trade associations, contributions to organizations organized under section 527 of the Internal Revenue Code, contributions made by the employee-funded Wells Fargo PACs, and ballot initiative contributions in amounts exceeding $25,000. These disclosures are reviewed annually and enhanced when appropriate. The Company's existing practices relating to oversight and disclosure demonstrate that the congruency analysis requested by the Proposal would not provide additional material information that is significant to the business beyond what the Company already provides.

Based on the analysis above, the Proposal is similar to proposals excluded under Rule 14a-8(i)(5) prior to the issuance of Staff Legal Bulletin No. 14L (Nov. 3, 2021), which was rescinded by SLB 14M. Specifically, the Staff has concurred in the exclusion of similar proposals that were not significant to the company's business on their face and were not otherwise significant to the company's business based on considerations similar to those

outlined above. *See ResMed Inc.* (avail. Aug. 27, 2020) (concurring in the exclusion of a proposal requesting a report on political contributions and expenditures where the proposal related to operations that accounted for less than five percent of total assets, net earnings, and gross sales and the company argued that the proposal was not otherwise significantly related to the company's business due to the nature of the company's political contributions); *Reliance Steel & Aluminum Co.* (avail. Apr. 2, 2019) (similar). Like the proposals in *ResMed* and *Reliance*, the aggregate dollar value of the Company's political contributions as contemplated by the Proposal represents less than five percent of total assets, net earnings, and gross sales of the Company, and the Proposal is not otherwise significantly related to the Company's business based on the nature of the relevant contributions.

Based on the foregoing information, the Proposal relates to operations that account for less than five percent of the Company's total assets, net earnings, and gross sales for its most recent fiscal year and is not otherwise significantly related to the Company's business. Accordingly, like the proposals in *ResMed* and *Reliance*, the Proposal may be properly excluded under Rule 14a-8(i)(5).

II. Waiver Of The 80-Day Requirement In Rule 14a-8(j)(1) Is Appropriate.

We request that the Staff waive the 80-day filing requirement set forth in Rule 14a-8(j). Rule 14a-8(j)(1) states that a company that "intends to exclude a proposal from its proxy materials . . . must file its reasons with the Commission no later than 80 calendar days before it files its definitive proxy statement and form of proxy with the Commission." However, Rule 14a-8(j)(1) allows the Staff, in its discretion, to permit a company to make its submission within 80 days of filing its definitive proxy materials if the company demonstrates "good cause" for missing the deadline. In SLB 14M, the Staff stated that it "consider[s] the publication of [SLB 14M] to be 'good cause' if it relates to legal arguments made by" a new no-action request. The legal arguments set forth in this request relate to the Staff's guidance in SLB 14M. Accordingly, we believe that the Company has "good cause" for its inability to meet the 80-day requirement, and we respectfully request that the Staff waive the 80-day requirement with respect to this letter. Please note that the Company plans to begin printing its 2025 Proxy Materials on March 5, 2025, which is in advance of the date that it plans to file its proxy materials with the Commission due to the size of the Company's shareholder base impacting printing logistics.

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its 2025 Proxy Materials.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (212) 351-2309 or Amanda Simmons, Senior Counsel, Wells Fargo Legal Department, at (212) 214-7701.

Sincerely,

Lori Zyskowski

Enclosures

cc: Emma Bailey, Corporate Secretary, Wells Fargo Legal Department
Janet McGinness, Associate General Counsel, Wells Fargo Legal Department
Amanda Simmons, Senior Counsel, Wells Fargo Legal Department
John Harrington, Harrington Investments, Inc.

EXHIBIT A

HARRINGTON
INVESTMENTS, INC.

November 15, 2024

Wells Fargo & Company
Attn: Corporate Executive Officer
Principal Executive Office
420 Montgomery Street
San Francisco, CA 94104

Re: Shareholder Proposal Submission

Dear Corporate Secretary:

I, John C. Harrington, President and CEO of Harrington Investments, Inc., am filing a shareholder proposal for inclusion in the Wells Fargo & Company 2025 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. I have been a shareholder continuously for over 3 years, since and including November 15, 2020, 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 included. I or a representative will attend the Annual Meeting to present the resolution as required by SEC rules.

We look forward to having productive conversations with the company. We are available to meet with the company via teleconference on December 10 or 11, 2024, at 11 am PT. Please direct all future correspondence regarding this proposal to me via the contact information below.

Sincerely,

John C. Harrington
President and CEO

1001 2ND STREET, SUITE 325 NAPA, CALIFORNIA 94559 [redacted]
WWW. HARRINGTONINVESTMENTS.COM

Wells Fargo published statements proclaiming it monitors and works toward progress on Environmental Social Governance (ESG) challenges, stating it:

> "...regularly assesses ESG and sustainability themes...monitors ESG trends...which inform its strategies, goals, and reporting priorities...."[1]

> "...believes that it has a role to play in addressing social, economic, and environmental sustainability,"[2]

> "...believe[s] that climate change continues to be one of the most urgent environmental and social issues of our time, and [is] working...to help accelerate the transition to a low carbon economy..."[3]

However, evidence suggests Wells Fargo supports organizations working against ESG investing, including the State Financial Officers Foundation (SFOF) and the Republican Attorneys General Association.

SFOF has advanced model legislation in at least five states directing state lawmakers and treasurers to cancel state contracts with companies that address climate risk, stating those institutions are "boycotting" fossil fuel companies.[4]

This evident conflict has not gone unnoticed. Congressman Casten and Senator Schatz wrote our Chief Executive Officer, requesting confirmation of Company plans to withdraw sponsorship of SFOF, emphasizing SFOF's approach misrepresents valid steps banks and asset managers are taking to minimize climate risk exposure.[5]

While Wells Fargo claimed to combat inequalities, it continued to profit from abusive practices, paying over 175 million dollars in a discriminatory lending practices settlement.

Wells Fargo Political Action Committee (PAC) "Transparency Report" leaked, detailing contribution criteria, noting the PAC aims to support candidates who "are willing to work in a bipartisan manner... and support diversity, equity, and inclusion."[6] Yet, some of the PAC's political contributions contradict this goal.

For example, the PAC donated to members of Congress that voted against certifying the Electoral College, including Kevin McCarthy, Blaine Luetkemeyer, and David Kustoff.[7] Texas Governor Abbott received 20,000 dollars, despite launching child abuse investigations into parents of trans youth.[8]

---

[1] https://www08.wellsfargomedia.com/assets/pdf/about/corporate-responsibility/environmental-social-governance-report.pdf
[2] https://www08.wellsfargomedia.com/assets/pdf/about/corporate-responsibility/environmental-social-governance-report.pdf
[3] https://www.wellsfargo.com/about/corporate-responsibility/environment/.
[4] https://casten.house.gov/sites/evo-subsites/casten.house.gov/files/evo-media-document/10-20-22-wf-sfof-sponsorship-follow-up_1.pdf
[5] https://casten.house.gov/sites/evo-subsites/casten.house.gov/files/evo-media-document/10-20-22-wf-sfof-sponsorship-follow-up_1.pdf
[6] https://popular.info/p/behind-the-curtain-of-wells-fargos
[7] https://popular.info/p/behind-the-curtain-of-wells-fargos
[8] https://popular.info/p/behind-the-curtain-of-wells-fargos

Resolved: Shareholders request that Wells Fargo report to shareholders annually, at reasonable expense and excluding confidential information, a congruency analysis between corporate values as defined by Wells Fargo's stated policies and Company contributions on electioneering and to any organizations dedicated to affecting public policy. The report should include a list of any such contributions occurring during the prior year misaligned with stated corporate values, stating the justification for such exceptions.

Supporting Statement: Proponents recommend, at Board and management discretion, the report also include management's analysis of risks to the Company brand, reputation, or shareholder value associated with incongruent expenditures. "Electioneering expenditures" means spending, from corporate treasury and from the PAC, directly or through a third party, at any time during the year, on printed, internet, or broadcast communications, which are reasonably susceptible to interpretation as being in support of or opposition to a specific candidate.