

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	<p>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.</p> <p>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.</p> <p>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</p>

	<p>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.</p> <p>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.</p>
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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	<p>Reviewing and guiding strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p>	<p>Climate-related risks and opportunities to our own operations</p> <p>Climate-related risks and opportunities to our bank lending activities</p> <p>Climate-related risks and opportunities to our investment activities</p> <p>The impact of our own operations on the climate</p>	<p>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.</p> <p>Senior sustainability staff provide periodic updates to the CRC and its management-level group, the ESG Disclosure Council.</p> <p>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.</p>

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 incentivized	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	<p>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.</p> <p>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.</p> <p>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.</p>
Emerging regulation	Relevant, always included	<p>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.</p> <p>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.</p> <p>As an example of this risk type, a policy to value atmospheric carbon</p>

		<p>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.</p>
Technology	Relevant, always included	<p>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.</p> <p>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.</p> <p>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.</p>
Legal	Relevant, always included	<p>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.</p> <p>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).</p>

		<p>Further evaluation is needed to comprehensively understand potential future losses associated with the damage and resource scarcities associated with climate change.</p> <p>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.</p>
Market	Relevant, always included	<p>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.</p> <p>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.</p>
Reputation	Relevant, always included	<p>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.</p> <p>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.</p> <p>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.</p>

<p>Acute physical</p>	<p>Relevant, always included</p>	<p>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.</p> <p>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.</p> <p>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).</p> <p>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.</p>
<p>Chronic physical</p>	<p>Relevant, always included</p>	<p>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.</p> <p>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.</p> <p>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.</p>

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	<p>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.</p> <p>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.</p> <p>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.</p>
Investing (Asset manager)	Yes	<p>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.</p> <p>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.</p> <p>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.</p>

Other products and services, please specify	Not applicable	Other products and services are not applicable.
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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	<p>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.</p> <p>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.</p> <p>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.</p>
Investing (Asset manager)	Majority of the portfolio	Quantitative	<p>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.</p> <p>Product types, maturities, internal risk ratings, and geographic exposures are also considered in determining</p>

			<p>the TCFD recommended metrics of total emissions, weighted average carbon intensity (WACI), and carbon footprints.</p> <p>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.</p>
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	<p>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.</p> <p>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.</p>
Investing (Asset manager)	No, but we plan to do so in the next two years	<p>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.</p> <p>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</p>

		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	<p>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.</p> <p>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.</p> <p>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.</p>
Investing (Asset manager)	No, but we plan to do so in the next two years	<p>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.</p>

		<p>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.</p> <p>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.</p>
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	<p>Requests for climate-related information in connection with our investing (asset manager) activities are made in one of three ways:</p> <ul style="list-style-type: none"> • 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

<p>IEA Sustainable development scenario</p>	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>
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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
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	influenced your strategy in this area?	
Products and services	Yes	<p>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.</p> <p>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.</p> <p>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.</p>
Supply chain and/or value chain	Yes	<p>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.</p> <p>We have been recognized as a CDP Supplier Engagement</p>

		<p>Leader among over 5,000 companies that have submitted information to be independently assessed against CDP's supplier engagement rating methodology.</p> <p>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.</p> <p>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.</p>
Investment in R&D	Yes	<p>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.</p> <p>In collaboration with key stakeholders, we have:</p> <ul style="list-style-type: none"> • 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	<p>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</p>

		<p>company is well-positioned to succeed in a low-carbon economy and lead its customers and communities by example.</p> <p>Such examples include:</p> <ul style="list-style-type: none"> • 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
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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.
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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	<p>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:</p> <ul style="list-style-type: none"> • 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	<p>Review asset manager's climate-related policies</p> <p>Other, please specify</p> <p>ESG Analysis Assessment Framework</p>	<p>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.</p> <p>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.</p> <p>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.</p>

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 manage 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 CO2 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)	<p>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.</p> <p>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-</p>

		<p>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.</p> <p>Wells Fargo's CEO endorsed the TCFD in November of 2019.</p>
Industry initiative	<p>Ceres Climate Action 100+ Science-Based Targets Initiative for Financial Institutions (SBTi-FI)</p>	<p>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.</p> <p>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.</p> <p>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.</p>
Commitment		<p>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.</p>

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
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	portfolio's impact on the climate	
Bank lending (Bank)	No, but we plan to do so in the next two years	<p>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.</p> <p>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.</p> <p>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.</p>
Investing (Asset manager)	No, but we plan to do so in the next two years	<p>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.</p> <p>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.</p> <p>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.</p>
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?
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I am submitting my response	Investors Customers	Public	Yes, submit Supply Chain Questions now
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Please confirm below

I have read and accept the applicable Terms