Environmental and Social Risk Management Framework
The Wells Fargo Private Bank Social Impact Investing team takes a responsible investment approach to all of its investment strategies. The team believes that companies that demonstrate skillful management of important economic counterparts such as employees, suppliers, customers, shareholders and debt holders, will build longer-lasting, less volatile businesses, and that conversely, those with poor stakeholder management may see negative impacts to firm value. We also consider that companies looking to compete globally must adhere to global norms for corporate behavior.

Our responsible investment research process is three-fold:

1. **ESG analysis.** We focus on material ESG issues that are most likely to impact a company’s financial situation, as well as areas where a company’s impact on society and the environment are significant. These issues can be systemic, marketwide concerns, as well as specific to a company’s adherence to global international norms.

2. **Exclusions.** We align with our clients’ values through exclusions. These range from coal and tobacco companies to those with significant revenue from alcohol, gambling, adult entertainment, activities harmful to animals, activities inadmissible in most interpretations of Islamic finance, and companies deemed to have life ethics issues.

3. **Engagement.** We advocate for change at portfolio companies to achieve impact on issues of concern. It is a key component of our research process; the insights we derive from conversations with company representatives and management inform our investment decisions. We participate in both collaborative and individual engagement campaigns, and engage with companies on foundational ESG issues, as well as on emerging risks.

Please e-mail esrm@wellsfargo.com with any questions or feedback