

January 21, 2021

VIA E-MAIL

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

Re: *Wells Fargo & Company*
Shareholder Proposal of the New York City Teachers' Retirement System et al.
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

In a letter dated December 26, 2020, we requested that the staff of the Division of Corporation Finance concur that our client, Wells Fargo & Company, could exclude from its proxy statement and form of proxy for its 2021 Annual Meeting of Shareholders a shareholder proposal and statements in support thereof (the "Proposal"), submitted by the Comptroller of the City of New York (the "Comptroller") on behalf of the New York City Teachers' Retirement System and the Board of Education Retirement System (the "Systems"), as well as by the AFL-CIO Reserve Fund and the UAW Retiree Medical Benefits Trust (the "Co-Filers").

Enclosed as Exhibit A is a letter signed by the Comptroller on behalf of the Systems verifying that (i) the Systems have the authority to withdraw on behalf of each of the Co-Filers and (ii) the Systems have withdrawn the Proposal on their own behalf and on behalf of the Co-Filers. In reliance on this communication, we hereby withdraw the December 26, 2020 no-action request.

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

Sincerely,

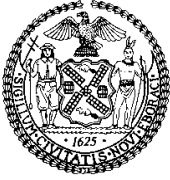


Elizabeth A. Ising

Enclosures

cc: Kathryn V. Purdom, Assistant General Counsel and Assistant Corporate Secretary
Mary E. Schaffner, Senior Vice President and Senior Counsel
Michael Garland, Comptroller of the City of New York
Brandon Rees, AFL CIO Reserve Fund
Meredith Miller, UAW Retiree Medical Benefits Trust

EXHIBIT A



Michael Garland
ASSISTANT COMPTROLLER
CORPORATE GOVERNANCE AND
RESPONSIBLE INVESTMENT

CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
SCOTT M. STRINGER

MUNICIPAL BUILDING
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TEL: (212) 669-2517
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MGARLAN@COMPTROLLER.NYC.GOV

January 19, 2021

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

Via email:

Re: Withdrawal of 2021 Shareholder Proposal on Diverse Candidate Search Policy

Dear Mr. Augliera,

Based on our productive discussion and Wells Fargo & Company's ("Wells Fargo") agreement to publicly disclose information requested in my January 8, 2021 email to you regarding its diverse candidate search requirement, continue to review its diverse search requirement, including to identify opportunities for enhancement, and to engage in the summer of 2021 with you to review the Company's progress and discuss future disclosures. To be concrete, I have incorporated below the specific disclosure items requested in my January 8th email:

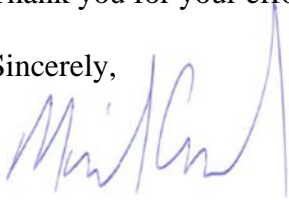
1. Disclose that the Diverse Search Requirement requires at least 50% diverse candidates on the interview slate for covered roles in the United States.
2. Clearly define the Company's definition of diverse candidates, which we understand includes race/ethnicity; gender; LGBTQ; veterans; and people with disabilities.
3. Disclose (a) that the current Diverse Search Requirement applies to all operating committee executive positions (i.e., "level 2" positions) (b) the self-identified gender and race/ethnicity of the individual operating committee members.
4. Disclose the governance processes relating to senior-level approval of any exception to the Diverse Search Requirement for a specific role.
5. Disclose the applicability of the Diverse Search Requirements to internal hiring and promotions.
6. Disclose the percentage of total positions of the entire workforce that are covered by the Diverse Search Requirement.
7. Disclose that compliance with the Diverse Search Requirement is a performance criterion for senior executives.

8. Provide more detailed disclosure on the link between progress against diversity initiatives, including with respect to the diverse search requirement, and executive compensation.

Therefore, I write to you on behalf of the Comptroller of the City of New York, Scott M. Stringer, to withdraw the shareholder proposal (the “Proposal”) requesting that Wells Fargo’s Board of Directors adopt the diverse candidate search policy specified by the Proposal. The Proposal was submitted for inclusion in Wells Fargo’s 2021 proxy statement by the New York City Teachers’ Retirement System and the Board of Education Retirement System (the “Systems”) and each of the AFL-CIO Reserve Fund and UAW Retiree Medical Benefits Trust (together, the “Co-Filers”), represent that the Systems have the authority to withdraw on behalf of each of the Co-Filers, and agree that the Proposal need not appear in the Company’s definitive proxy statement for its 2021 annual meeting.

Thank you for your efforts and engagement.

Sincerely,



Michael Garland

Cc: Brandon Rees, AFL-CIO Office of Investment
Meredith Miler, UAW Retiree Medical Benefits Trust

December 26, 2020

VIA E-MAIL

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

Re: *Wells Fargo & Company*
Shareholder Proposal of the New York City Teachers' Retirement System et al.
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that our client, Wells Fargo & Company (the “Company”), intends to omit from its proxy statement and form of proxy for its 2021 Annual Meeting of Shareholders (collectively, the “2021 Proxy Materials”) a shareholder proposal and statements in support thereof (the “Proposal”) submitted by the Comptroller of the City of New York on behalf of the New York City Teachers’ Retirement System and the Board of Education Retirement System, the AFL-CIO Reserve Fund and the UAW Retiree Medical Benefits Trust (the “Proponents”).

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

- filed this letter with the Securities and Exchange Commission (the “Commission”) no later than eighty (80) calendar days before the Company intends to file its definitive 2021 Proxy Materials with the Commission; and
- concurrently sent copies of this correspondence to the Proponents.

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

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THE PROPOSAL

The Proposal states:

RESOLVED: Shareholders request that the Board of Directors of Wells Fargo & Company (the “Company”) adopt a policy for improving workforce diversity by requiring that the initial pool of candidates from which new employees are hired by the Company in the U.S. shall include at least one qualified woman and one ethnically or racially diverse candidate (a “Diverse Candidate Search Policy”).

A copy of the Proposal and the statements in support thereof (the “Supporting Statement”), as well as related correspondence with the Proponents, is attached to this letter as Exhibit A.

BASES FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the Proposal may properly be excluded from the 2021 Proxy Materials pursuant to Rule 14a-8(i)(10) because the Company has substantially implemented the Proposal. As disclosed on the Company’s website, the Company values and promotes diversity and inclusion in every aspect of its business and at every level of its organization.¹ The Company’s leadership has indicated its commitment to advancing diversity, equity, and inclusion as well as fostering a Company culture that deeply values and respects diversity and inclusion within the Company.² The Company believes that it has taken meaningful steps in 2020 to meet this commitment. While the Company is encouraged by early progress, the Company also recognizes there is more work to do on this issue.

The Company previously established diverse candidate search requirements and, in March 2020,³ announced an expansion of those requirements for diverse candidate slates and interview teams covering U.S. roles at the Company with total direct compensation of more than

¹ See Diversity and Inclusion, available at <https://www.wellsfargo.com/about/diversity/diversity-and-inclusion/>.

² See Wells Fargo CEO: “A Watershed Moment,” available at <https://stories.wf.com/wells-fargo-ceo-a-watershed-moment>.

³ See Company’s 2020 Proxy Statement, pg. 60, available at <https://www.wellsfargo.com/assets/pdf/about/investor-relations/annual-reports/2020-proxy-statement.pdf>. The Company’s current Diverse Search Requirement reflects an expansion of prior diverse candidate requirements that were focused on leader positions in reporting levels 3-6 down from the Company’s Chief Executive Officer with a market reference point for compensation of \$150,000 or more.

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\$100,000, with limited exceptions (the “Diverse Search Requirement”).⁴ See Exhibit B (referring to the Diverse Search Requirement on page 50 of the Company’s 2020 Environmental, Social, and Governance Report (the “2020 ESG Report⁵”). The Company’s Board of Directors (the “Board”) reviewed and supported the Diverse Search Requirement in connection with its review of disclosure relating to the requirement contained in the Company’s proxy statement that was filed in March 2020 for its 2020 Annual Meeting of Shareholders.

Subsequently, consistent with the responsibilities reflected in its charter, the Human Resources Committee of the Board reviewed and approved the performance goals for the Company’s Chief Executive Officer (“CEO”) and President in June 2020, and which included an objective relating to the advancement of diversity and inclusion company-wide with actions that are measurable and for which leaders are accountable, as well as reviewed a performance goal for members of the Operating Committee (which is comprised of the Company’s senior management team) in July 2020 to lead the advancement of diversity and inclusion efforts across the Company by driving actions to deliver against Company commitments, including the Diverse Search Requirement.⁶ The Company has represented that under the Diverse Search Requirement, at least 50% of candidates on the interview slate for covered roles in the United States must be diverse with respect to at least one of the following diversity dimensions: race/ethnicity; gender; LGBTQ; veterans; and people with disabilities. This 50% diverse representation requirement is stricter than requested by the Proposal and applies to the initial interview slate, not just the initial pool of candidates, for a covered role.

Additionally, we respectfully request that the Staff concur in our view that the Proposal may properly be excluded pursuant to Rule 14a-8(i)(7) because the Proposal deals with matters related to the Company’s ordinary business.

⁴ Certain limited roles that have recruiting practices outside the scope of the Company’s normal recruiting standards are not subject to the Diverse Search Requirement for specific business reasons (*e.g.*, joint ventures). In addition, due to the importance of the Diverse Search Requirement, the Company has established governance processes relating to senior-level approval of any exception to the requirement for a specific role.

⁵ The 2020 ESG Report is available at <https://www.wellsfargo.com/assets/pdf/about/corporate-responsibility/environmental-social-governance-report.pdf>.

⁶ The Board’s Human Resources Committee “annually review[s] and approve[s] corporate goals and objectives relevant to CEO compensation.” See the Human Resources Committee charter, *available at* <https://www.wellsfargo.com/assets/pdf/about/corporate/human-resources-committee-charter.pdf>.

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ANALYSIS

I. **The Proposal May Be Excluded Under Rule 14a-8(i)(10) Because It Has Been Substantially Implemented.**

A. *Background On Substantial Implementation Under Rule 14a-8(i)(10)*

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

Under this standard, when a company can demonstrate that it has already taken actions to address the underlying concerns and essential objectives of a shareholder proposal, the Staff has concurred that the proposal has been “substantially implemented” and may be excluded as moot. The Staff has noted that “a determination that the [c]ompany has substantially implemented the proposal depends upon whether [the company’s] particular policies, practices and procedures compare favorably with the guidelines of the proposal.” *Texaco, Inc. (Recon.)* (avail. Mar. 28, 1991). Specifically, a company need not implement a shareholder proposal in exactly the manner set forth by the proponent or in the manner that a shareholder may prefer. *See* 1998 Release at n.30 and accompanying text. Differences between a company’s actions and a shareholder proposal are permitted as long as the company’s actions satisfactorily address the shareholder proposal’s essential objective.

B. *The Diverse Search Requirement Substantially Implements The Proposal*

The Proposal requests that the Board “adopt a policy for improving workforce diversity” in order to “ensure that the Company’s recruitment pools for external hires are adequately diverse.” The Proposal seeks to achieve this goal by “requiring that the initial pool of candidates from which new employees are hired by the Company in the U.S. . . . include at least one

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qualified woman and one ethnically or racially diverse candidate.” The Company’s adoption of the Diverse Search Requirement compares favorably with and substantially implements the Proposal because it achieves the Proposal’s essential objective of improving workforce diversity by “widen[ing] the talent pool by requiring a diverse set of candidates for consideration before a hiring decision,” as discussed below.

As disclosed on the Company’s website, the Company values and promotes diversity and inclusion in every aspect of its business and at every level of its organization.⁷ For example, the Company’s CEO and the Operating Committee lead the advancement of diversity and inclusion efforts across the Company. The Company also created an Operating Committee role and hired a head of Diverse Segments, Representation & Inclusion, reporting to the CEO, who is responsible for advancing the Company’s diversity efforts in the marketplace and the workplace.⁸ Moreover, diversity and inclusion councils have been established at the business and international regional levels of the Company to help implement programs and initiatives, and team member networks have been formed to build a diverse and inclusive culture. The Company’s efforts include seeking to build a diverse pipeline of candidates for positions at all levels of the Company, including leadership positions. To further these efforts, the Company reviewed and analyzed the demographics of its workforce in order to determine how best to improve diversity among its employees. While recognizing that approximately 45% of the Company’s U.S. workforce is ethnically/racially diverse⁹ and approximately 57% of the Company’s U.S. workforce is female,¹⁰ this review identified that diversity was lower in roles with total direct compensation of more than \$100,000 than the Company’s overall diverse representation across its U.S. workforce. The Company expanded existing requirements and adopted the Diverse Search Requirement as part of its overall and continuing efforts to enhance workforce diversity, including in those roles.

While the Diverse Search Requirement is not identical to the policy requested in the Proposal, it still achieves the Proposal’s essential objective of improving workforce diversity by requiring that a diverse set of candidates be included among those considered and interviewed for roles at the Company:

⁷ See Diversity and Inclusion, available at <https://www.wellsfargo.com/about/diversity/diversity-and-inclusion/>.

⁸ See Wells Fargo Names Kleber Santos as Head of Diverse Segments, Representation, and Inclusion, available at <https://newsroom.wf.com/English/news-releases/news-release-details/2020/Wells-Fargo-Names-Kleber-Santos-as-Head-of-Diverse-Segments-Representation-and-Inclusion/default.aspx>; and see also Wells Fargo CEO: ‘A Watershed Moment,’ available at <https://stories.wf.com/wells-fargo-ceo-a-watershed-moment>.

⁹ See Diversity and Inclusion, available at <https://www.wellsfargo.com/about/diversity/diversity-and-inclusion/>.

¹⁰ Based on active employee headcount as of January 1, 2020. In addition, 55.2% of the Company’s global workforce is female. See Wells Fargo Environmental, Social, and Governance (ESG) Goals and Performance Data, pg. 13, available at <https://www.wellsfargo.com/assets/pdf/about/corporate-responsibility/goals-performance-data.pdf>.

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- ***The Diverse Search Requirement Requires Consideration of Diverse Candidates as Part of Interview Slates.*** The Proposal requests the inclusion of “at least one qualified woman and one ethnically or racially diverse candidate” in the initial pool of candidates for U.S. roles. The Company’s Diverse Search Requirement goes beyond what is requested in the Proposal and seeks to increase gender and racial/ethnic diversity on initial interview slates (not just the initial candidate pools), as well as representation of LGBTQ candidates, veterans, and candidates with disabilities, by requiring that at least 50% of interview slate candidates must represent at least one of those diversity dimensions. For example, if the Company interviewed six candidates for a covered role, the Diverse Search Requirement would require that at least three of those interview candidates have at least one diversity dimension, whereas the Proposal would require only two. When developing the Diverse Search Requirement, the Company took a more inclusive view of diversity dimensions that includes LGBTQ people, veterans, and people with disabilities, in addition to gender and racial/ethnic diversity, as part of efforts to build an inclusive and diverse workforce and enhance the Company’s workforce diversity overall. These additional diversity dimensions, as well as the stricter requirement of 50% diverse representation for these interview slates, reflect the Company’s commitment to, and are consistent with the Proposal’s request that the Company “widen[] the talent pool by requiring a diverse set of candidates for consideration before a hiring decision.”
- ***The Diverse Search Requirement Focuses on Positions in the United States Where Gender and/or Racial/Ethnic Diversity Is Below the Company’s Enterprise-Wide Diversity Representation Numbers.*** When developing the Diverse Search Requirement, the Company analyzed the diversity of its U.S. workforce and identified the roles where workforce diversity could be improved. Based on this analysis, the Company determined that one of the most effective ways to enhance its workforce diversity, including gender and racial/ethnic diversity, was to include the Diverse Search Requirement for roles where workforce diversity is below the Company’s enterprise-wide diversity representation numbers for gender and/or racial/ethnic diversity. Thus, consistent with the Proposal, the Diverse Search Requirement focuses on where the “Company can further enhance its own diversity efforts”—namely, U.S. roles where total direct compensation exceeds \$100,000, with limited exceptions.
- ***The Diverse Search Requirement Is Comprehensive.*** While there are limited exceptions to the specified scope of the Diverse Search Requirement, those exceptions are limited for specific business reasons for roles that have

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recruiting practices outside the scope of the Company's normal recruiting standards (*e.g.*, joint ventures) and thus do not apply the Diverse Search Requirement. The Diverse Search Requirement currently applies to 95% of U.S. roles at the Company with total direct compensation over \$100,000 and applied to 96% of all openings for those roles as of December 16, 2020. Thus, the Diverse Search Requirement addresses the Proposal's essential objective by "broaden[ing] [the] Company's access to talent for recruitment and diversify[ing] its internal talent pipeline."

Based on this analysis, we believe that the Staff's precedent supports our conclusion that the Diverse Search Requirement substantially implements the Proposal under Rule 14a-8(i)(10). For example, in *PACCAR Inc.* (avail. Jan. 31, 2020), the Staff concurred with the exclusion under Rule 14a-8(i)(10) of a shareholder proposal requesting that the board of directors "adopt a policy for improving board and top management diversity . . . requiring that the initial lists of candidates from which new management-supported director nominees and chief executive officers . . . recruited from outside the company are chosen by the board or relevant committee . . . should include qualified female and racially/ethnically diverse candidates." The company asserted that it had substantially implemented the proposal's request with respect to directors by amending its governing documents¹¹ and with respect to "top management" through other means. Specifically, the company noted that lists regarding external searches for candidates were "not relevant" because the company's actual practice for chief executive officer appointments consisted of internal promotions to the position. However, the company argued that the proposal's essential objective was still accomplished through its internal diversity and inclusion programs, including diversity councils and leadership programs, even though the proposal requested a diversity policy regarding external chief executive officer searches.

The Proposal is similar to the proposal in *PACCAR* in that it seeks to increase corporate diversity by requiring diverse representation in the candidates considered. Specifically, the Proposal asks that "at least one qualified woman and one ethnically or racially diverse candidate" be included in "the initial pool of candidates from which new employees are hired by the Company in the U.S." As discussed above, the Diverse Search Requirement addresses the Proposal's essential objective because it already requires that diverse candidates be included in the initial candidate pool as well as the interview slates for those roles where total direct compensation exceeds \$100,000, with limited exceptions because the Company identified those roles as ones where workforce diversity is below the Company's enterprise-wide diversity representation numbers and needed to be improved. Thus, just as in *PACCAR*, the Company has addressed the Proposal's essential objective, albeit in a different manner than set forth in the

¹¹ The board of directors approved changes to the board membership guidelines, which then stated "initial lists of candidates from which new director nominees are chosen will include qualified female and racially/ethnically diverse candidates."

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Proposal based on the Company's own analysis of its U.S. workforce. *See also Hewlett-Packard Co.* (avail. Dec. 11, 2007) (concurring with the exclusion of a proposal requesting that the board permit shareholders to call special meetings in light of a bylaw amendment to permit shareholders to call a special meeting unless the board determined that the special business to be addressed had been addressed recently or would soon be addressed at an annual meeting); *Johnson & Johnson* (avail. Feb. 17, 2006) (concurring with the exclusion of a proposal that requested the company to confirm the legitimacy of all current and future U.S. employees was substantially implemented because the company had verified the legitimacy of over 91% of its domestic workforce); *PPG Industries, Inc.* (avail. Jan. 19, 2004) (concurring with the exclusion under Rule 14a-8(i)(10) of a proposal requesting the board adopt a policy statement "generally committing [the company] to the elimination of product testing on animals" in favor of alternative product testing methods, where the company had already issued an "animal welfare policy committing the company to use alternatives to animal testing").

Moreover, the Staff has consistently concurred with the exclusion of shareholder proposals that, like the Proposal, ask the company to adopt a policy where the company has already accomplished the essential objective of the policy. *See also Amazon.com, Inc. (Öhman Fonder)* (avail. Mar. 27, 2020) (concurring with the exclusion of a proposal requesting the company's board adopt a "comprehensive policy applicable to Amazon's operations and subsidiaries that commits the company to respect human rights" where the company had a well-established human rights policy); *The Wendy's Co.* (avail. Apr. 10, 2019) (concurring with the exclusion of a proposal requesting that the company report on its "process for identifying and analyzing potential and actual human rights risk of operations and supply chain" where "the [c]ompany's public disclosures compare[d] favorably with the guidelines of the [p]roposal"); *Exelon Corp.* (avail. Feb. 26, 2010) (concurring with the exclusion under Rule 14a-8(i)(10) of a proposal that requested a report on different aspects of the company's political contributions when the company had already adopted its own set of corporate political contribution guidelines and issued a political contributions report that, together, provided "an up-to-date view of the [c]ompany's policies and procedures with regard to political contributions"); *Freeport-McMoRan Copper & Gold Inc.* (avail. Mar. 5, 2003) (concurring with the exclusion under Rule 14a-8(i)(10) of a proposal requesting that the board amend its human rights policy as substantially implemented when the company's existing policies addressed the subject matter of the proposal).

As with the company policies addressed in the foregoing precedents, the Diverse Search Requirement already accomplishes the Proposal's essential objective of establishing a policy that improves workforce diversity by requiring that a diverse set of candidates be included among those considered for positions at the Company. Accordingly, for the reasons set forth above, the Proposal may properly be excluded under Rule 14a-8(i)(10).

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

Pursuant to Rule 14a-8(i)(7), a shareholder proposal may be excluded if it “deals with a matter relating to the company’s ordinary business” operations. According to the Commission’s 1998 Release, the term “ordinary business” refers to matters that are not necessarily “ordinary” in the common meaning of the word, but instead the term “is rooted in the corporate law concept [of] providing management with flexibility in directing certain core matters involving the company’s business and operations.” In the 1998 Release, the Commission explained that the underlying policy of the ordinary business exclusion is “to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting,” and identified two central considerations that underlie this policy. The second consideration relates to “the degree to which the proposal seeks to ‘micro-manage’ the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.” *Id.* (citing Exchange Act Release No. 12999 (Nov. 22, 1976)). The 1998 Release further states that “[t]his consideration may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.”

In addition, Staff Legal Bulletin No. 14K (Oct. 16, 2019) (“SLB 14K”) clarified that in considering arguments for exclusion based on micro-management, the Staff looks to see “whether the proposal . . . imposes a specific strategy, method, action, outcome or timeline for addressing an issue, thereby supplanting the judgment of management and the board.” Furthermore, the Staff noted that if a proposal “potentially limit[s] the judgment and discretion of the board and management, the proposal may be viewed as micromanaging the company.” SLB 14K.

The Proposal requests that the Company “requir[e] that the initial pool of candidates from which new employees are hired by the Company in the U.S. shall include at least one qualified woman and one ethnically or racially diverse candidate.” Because the Proposal seeks to dictate the Company’s approach to its hiring processes for employees across the United States, the Proposal seeks to micromanage the Company and may be excluded under Rule 14a-8(i)(7).

In this regard, the Proposal is similar to the proposal in *CBRE Group, Inc.* (avail. Feb. 14, 2020). In *CBRE Group*, the Staff concurred with the exclusion on micromanagement grounds of a proposal that requested that the company adopt a policy to “require that the [c]ompany take the necessary steps to waive its mandatory arbitration requirements for employee claims of sexual harassment unless the [b]oard of [d]irectors concludes, after an evaluation using independent evidence, that mandatory arbitration does not deter reporting of sexual harassment by Company employees.” The company argued that the proposal sought to micromanage the company by

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dictating the company’s “approach to its complex employment and risk management practices.” Similarly, in *Intel Corp.* (avail. Mar. 15, 2019), a proposal requested that the company include a specific policy statement—that “Intel affirms and believes all that the Pride flag and Gay Pride movement it is associated with represent or assert to be right and true”—in its Global Human Rights Principles, as well as certain company websites and communications. The company argued the proposal attempted to micromanage the company by dictating both a specific policy position on a complex matter and how the company communicated that position. The Staff concurred with the exclusion of the proposal as relating to the company’s ordinary business operations, as, in its view, “the [p]roposal [sought] to micromanage the [c]ompany by dictating that the [c]ompany must adopt a specific policy position and prescribing how the [c]ompany must communicate that policy position.” See also *Chevron Corp. (Active Home)* (avail. Mar. 6, 2020) (concurring with the exclusion on micromanagement grounds where the proposal requested that the company “commit[] to support legislators and legislation that promote significant climate action,” which “would include supporting a pricing structure on carbon at levels that . . . would result in significant reductions in carbon dioxide emissions”); *MGE Energy, Inc.* (avail. Mar. 13, 2019) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal requesting the company prepare a public report describing how it “can provide a secure, low cost energy future for [its] customers and shareholders by eliminating coal and moving to 100% renewable energy by 2050 or sooner” as “seek[ing] to micromanage the [c]ompany by seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by its board of directors”); *Amazon.com, Inc.* (avail. Jan. 18, 2018, *recon. denied* Apr. 5, 2018) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal instructing the company to list WaterSense showerheads before the listing of other showerheads and to provide a short description of the meaning of WaterSense showerheads as “seek[ing] to micromanage the [c]ompany by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment”).

As with the proposals in *CBRE Group*, *Intel* and the other precedents discussed above, the Proposal seeks to “impose[] a specific strategy, method, action, [or] outcome . . . for addressing an issue, thereby supplanting the judgment of management and the board.” SLB 14K. The Proposal seeks to dictate the Company’s approach to its widely varied, position-focused hiring policies and practices in the U.S. (*i.e.*, by “requiring that the initial pool of candidates from which new employees are hired by the Company in the U.S. shall include at least one qualified woman and one ethnically or racially diverse candidate”). In particular, the Proposal dictates:

- the minimum number of diverse candidates to be included in any initial candidate pool (at least two);

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- the positions to which it applies (any “new employees . . . hired by the Company in the U.S.”);
- the dimensions of diversity to consider (gender and race/ethnicity); and
- the diverse categories each candidate must satisfy (“one qualified woman” and “one ethnically or racially diverse candidate”).

The effects of the Proposal’s constraints would change how the Company—which has an employee headcount of 274,900 and 7,200 locations in 31 countries and territories, including the United States, as of September 30, 2020¹²—operates on a day-to-day basis, by requiring all U.S. positions be filled using an initial candidate pool (a “candidate pool”), regardless of whether a candidate pool is needed or can be successfully implemented (or even implemented at all). For example, it would require that the Company impose a specific recruiting practice in the limited areas or businesses that have recruiting practices outside the scope of the Company’s normal recruiting practices (*e.g.*, joint ventures). Further, implementing such a candidate pool is impractical, including for high-volume or other roles that the Company continually seeks to fill and which have diversity over-representation. Such a candidate pool also would require the Company to use a different, narrower definition of diversity in application of its practices. Additionally, it is important to note that the Proposal is so expansive that it would even apply to job positions where women or racial/ethnic minorities are over-represented.

The extent to which the detailed requirements of the Proposal seek to micromanage the Company is comparable to the specific employment and risk management practices in *CBRE Group* and the specific policy position and communication methods prescribed in *Intel*. The shareholder proposal process is not intended to provide an avenue for shareholders to impose detailed requirements of this sort in areas where they, as a group, are not in the best position to manage a company. Decisions about how to develop and oversee a company’s hiring process are decisions that are beyond the purview of shareholders as they are multifaceted and require management to evaluate complex issues. As discussed in Part I, the Company has gone to great lengths to develop the Company’s approach to its hiring processes for employees, including those that relate to improving workforce diversity. By mandating how the Company approaches its complex hiring process and strives to improve its workforce diversity, the Proposal impermissibly seeks to replace management’s informed and reasoned judgments. The Proposal thus micromanages the Company’s fundamental day-to-day decisions and policies with respect to its hiring process and therefore may be excluded under Rule 14a-8(i)(7).

¹² See Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2020, available at <https://www.sec.gov/Archives/edgar/data/72971/000007297120000338/wfc-20200930.htm>.

Office of Chief Counsel
Division of Corporation Finance
December 26, 2020
Page 12

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its 2021 Proxy Materials.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8287, or Kathryn V. Purdom, Assistant General Counsel and Assistant Corporate Secretary, at (704) 374-3234.

Sincerely,



Elizabeth A. Ising

Enclosures

cc: Kathryn V. Purdom, Assistant General Counsel and Assistant Corporate Secretary
Mary E. Schaffner, Senior Vice President and Senior Company Counsel
Michael Garland, Comptroller of the City of New York
Brandon Rees, AFL-CIO Reserve Fund
Meredith Miller, UAW Retiree Medical Benefits Trust

EXHIBIT A

Subject: FW: NYCRS- Wells Fargo Shareholder proposal- 11.12.2020
Attachments: NYCRS Wells Fargo Shareholder Proposal (Diverse Candidate Search Policy)
11.12.2020.pdf

From: Sologub, Jenny <jsologu@comptroller.nyc.gov> **On Behalf Of** Garland, Michael
Sent: Thursday, November 12, 2020 3:50 PM
To: Augliera, Anthony R (Legal) <anthony.augliera@wellsfargo.com>
Cc: Garland, Michael <mgarlan@comptroller.nyc.gov>; Narita, Yumi <ynarita@comptroller.nyc.gov>
Subject: NYCRS- Wells Fargo Shareholder proposal- 11.12.2020

Mr. Augliera,

Please see attached shareholder proposal on behalf of the New York City Retirement Systems. We are also sending a hard copy via FedEx Mail.

We look forward to the opportunity to discuss it with you.

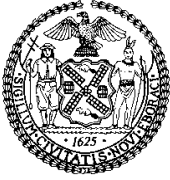
Thank you,
Mike



MICHAEL GARLAND

Assistant Comptroller - Corporate Governance and Responsible Investment
Office of New York City Comptroller Scott M. Stringer, Bureau of Asset Management
1 Centre Street, 8th Floor North, New York, NY 10007
Office: 212-669-2517 | Fax: 212-669-4072 | Email: mgarlan@comptroller.nyc.gov

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If you are not the intended recipient, you must not use, copy, disclose, or take any action based on this message or any information herein. If you have received this message in error, please advise the sender immediately by reply e-mail and delete this message.
Thank you for your cooperation.



CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
SCOTT M. STRINGER

MUNICIPAL BUILDING
ONE CENTRE STREET, 8TH FLOOR NORTH
NEW YORK, N.Y. 10007-2341
TEL: (212) 669-2517
FAX: (212) 669-4072
MGARLAN@COMPTROLLER.NYC.GOV

Michael Garland
ASSISTANT COMPTROLLER
CORPORATE GOVERNANCE AND
RESPONSIBLE INVESTMENT

November 12, 2020

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

Dear Mr. Augliera:

I write to you on behalf of the Comptroller of the City of New York, Scott M. Stringer. The Comptroller is the custodian and a trustee of the New York City Teachers' Retirement System, and the Board of Education Retirement System (the "Systems"). The Systems' boards of trustees have authorized the Comptroller to file this resolution and to inform you of their intention to present the enclosed proposal for the consideration and vote of stockholders at the Company's next annual meeting.

Therefore, we offer the enclosed proposal for the consideration and vote of shareholders at the Company's next annual meeting. It is submitted to you in accordance with Rule 14a-8 of the Securities Exchange Act of 1934, and I ask that it be included in the Company's proxy statement.

The Systems are beneficial owners of more than \$2,000 in market value of the Company's stock and have held such stock continuously for over one year. Furthermore, each System intends to continue to hold at least \$2,000 worth of these securities through the date of the Company's next annual meeting. Proof of ownership will be sent by the Systems' custodian, State Street Bank and Trust Company, under separate cover.

We would welcome the opportunity to discuss the proposal with you. Should the Board of Directors approve a diverse candidate search policy that we consider responsive to the proposal, we will withdraw the proposal from consideration at the annual meeting.

Please feel free to contact me at mgarlan@comptroller.nyc.gov if you would like to discuss this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Garland".

Michael Garland
Enclosure

RESOLVED: Shareholders request that the Board of Directors of Wells Fargo & Company (the “Company”) adopt a policy for improving workforce diversity by requiring that the initial pool of candidates from which new employees are hired by the Company in the U.S. shall include at least one qualified woman and one ethnically or racially diverse candidate (a “Diverse Candidate Search Policy”).

Supporting Statement

Last June, Wells Fargo CEO Charlie Scharf proclaimed: “While it might sound like an excuse, the unfortunate reality is that there is a very limited pool of black talent to recruit from.” He subsequently acknowledged that his “insensitive comment” reflected his “own unconscious bias.”

While the Company disclosed that 41% of its senior leaders within two to four reporting levels down from the CEO were women and 20% were racially diverse as of December 31, 2019, we believe this provides a misleading picture of senior-level diversity. According to verified research by Stanford Graduate School’s Corporate Governance Research Initiative, there was no racial or ethnic diversity among Wells Fargo’s CEO and his 12 direct reports as of December 11, 2019.

A recent study by McKinsey & Company found a “positive, statistically significant correlation between company financial outperformance and diversity, on the dimensions of both gender and ethnicity. This is evident at different levels of the organization, particularly on executive teams” (Diversity Wins: How Inclusion Matters, May 2020).

As long-term shareholders, we are concerned that the lack of racial and ethnic diversity among the most senior ranks of the Company’s executive management not only harms its financial performance, but also sets a poor tone at the top for diverse hiring processes throughout the Company.

A diverse workforce at **all** levels of a company can enhance long-term company performance. Workforce diversity provides a competitive advantage to companies by helping to attract and retain talented employees, strengthening customer relationships, increasing employee satisfaction, improving corporate decision-making, and enhancing corporate reputations.

The Diverse Candidate Search Policy can ensure that the Company’s recruitment pools for external hires are adequately diverse. Modeled on the National Football League’s “Rooney Rule,” it does not dictate who should be hired, but instead widens the talent pool by requiring a diverse set of candidates for consideration before a hiring decision.

We commend the steps that our Company has taken to promote workforce diversity and inclusion in its senior ranks. In our view, adopting a Diverse Candidate Search Policy will extend our Company’s existing efforts beyond the hiring of its highest paid executives to the hiring of *all employees*. We believe this will broaden our Company’s access to talent for recruitment and diversify its internal talent pipeline.

The Black Lives Matter and #MeToo movements have highlighted the social policy significance of diversity, equity and inclusion. Many companies have also embraced the business case for promoting workforce diversity. We believe that our Company can further enhance its own diversity efforts.

For these reasons, we urge shareholders to vote for this proposal.



STATE STREET

Derek A. Farrell
Asst. Vice President, Client Services

State Street Bank and Trust Company
c/o NYC Office of the Comptroller
Municipal Building
One Centre Street
New York, NY 10007

Telephone: 347 749-2420
dfarrell@statestreet.com

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

November 12th, 2020

Re: New York City Retirement Systems

To whom it may concern,

Enclosed please find Ownership Letters attesting to the minimum share positions held by each of the NYC Retirement Systems for at least the past twelve months.

These letters are to support the Shareholder Proposal resolution sent to you directly by the NYC Office of the Comptroller

Sincerely,

Derek A. Farrell
Assistant Vice President



STATE STREET.

Derek A. Farrell
Asst. Vice President, Client Services

State Street Bank and Trust Company
c/o NYC Office of the Comptroller
Municipal Building
One Centre Street
New York, NY 10007
Telephone: 347 749-2420
dfarrell@statestreet.com

November 12, 2020

Re: New York City Board of Education Retirement System

To whom it may concern,

Please be advised that State Street Bank and Trust Company, under DTC number 997, held in custody continuously, on behalf of the New York City Board of Education Retirement System, the below position from October 31, 2019 through today as noted below:

Security: WELLS FARGO + CO

Cusip: 949746101

Shares: 267,101

Please don't hesitate to contact me if you have any questions.

Sincerely,

Derek A. Farrell
Assistant Vice President



STATE STREET.

Derek A. Farrell
Asst. Vice President, Client Services

State Street Bank and Trust Company
c/o NYC Office of the Comptroller
Municipal Building
One Centre Street
New York, NY 10007
Telephone: 347 749-2420
dfarrell@statestreet.com

November 12, 2020

Re: New York City Teachers' Retirement System

To whom it may concern,

Please be advised that State Street Bank and Trust Company, under DTC number 997, held in custody continuously, on behalf of the New York City Teachers' Retirement System, the below position from October 31, 2019 through today as noted below:

Security: WELLS FARGO + CO

Cusip: 949746101

Shares: 2,720,055

Please don't hesitate to contact me if you have any questions.

Sincerely,

Derek A. Farrell
Assistant Vice President

Subject: FW: AFL-CIO shareholder resolution
Attachments: Diverse Candidate Search Policy shareholder proposal Final 11-12-20.pdf; AFL-CIO proof of ownership for Wells Fargo.pdf; AFL-CIO Cover Letter to Wells Fargo.pdf

From: Brandon Rees <brees@aficio.org>
Sent: Thursday, November 12, 2020 3:57 PM
To: Augliera, Anthony R (Legal) <anthony.augliera@wellsfargo.com>
Subject: AFL-CIO shareholder resolution

Dear Anthony,

Please see the attached letter submitting the AFL-CIO Reserve Fund's shareholder proposal for the 2021 annual meeting of Wells Fargo. We are co-filing the Diverse Candidate Search Policy shareholder proposal with the Comptroller of the City of New York as the lead filer. A printed copy of this correspondence is also being sent by UPS. As always, we welcome the opportunity to discuss our proposal with you.

Sincerely,

Brandon Rees
brees@aficio.org
202-637-5152 (office)
202-486-2187 (cell)

CONFIDENTIALITY NOTE: The contents of this message may be attorney-client privileged, protected by the work product doctrine, or contain confidential proprietary information. If you are not the intended recipient, you must not use, copy, disclose, or take any action based on this message or any information herein. If you have received this message in error, please advise the sender immediately by reply e-mail and delete this message. Thank you for your cooperation.



AFL-CIO

AMERICA'S UNIONS

**American Federation
of Labor and
Congress of Industrial
Organizations**

815 16th St. NW
Washington, DC 20006
202-637-5000
aflcio.org

EXECUTIVE COUNCIL

RICHARD L. TRUMKA
PRESIDENT

ELIZABETH H. SHULER
SECRETARY-TREASURER

TEFERE A. GEBRE
EXECUTIVE VICE PRESIDENT

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Clyde Rivers
Cecil Roberts
Fred Redmond
Matthew Loeb
Randi Weingarten
Fredric V. Rolando
Baldemar Velasquez
Bruce R. Smith
Lee A. Saunders
Terry O'Sullivan
Lorretta Johnson
James Callahan
DeMaurice Smith
Sean McGarvey
D. Taylor
Kenneth Rigmaiden
Stuart Appelbaum
Harold Daggett
Bhairavi Desai
Paul Rinaldi
Mark Dimondstein
Cindy Estrada
Sara Nelson
Marc Perrone
Eric Dean
Joseph Sellers Jr.
Christopher Shelton
Lonnie R. Stephenson
Richard Lanigan
Robert Martinez
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Mark McManus
Elissa McBride
John Samuelson
George E. McCubbin III
Vonda McDaniel
Gwen Mills
Charles Wowkanech
Bonnie Castillo
Paul Shearon
Warren Fairley
Ernest A. Logan
Capt. Joe DePete
James Slevin
Tom Conway
John Costa
Tim Driscoll
Rory Gamble
Everett Kelley
Anthony Shelton

November 12, 2020

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

Dear Secretary Augliera:

On behalf of the AFL-CIO Reserve Fund (the "Fund"), I write to give notice that pursuant to the 2020 proxy statement of Wells Fargo & Company (the "Company"), the Fund intends to present the attached proposal (the "Proposal") at the 2021 annual meeting of shareholders (the "Annual Meeting"). The Fund requests that the Company include the Proposal in the Company's proxy statement for the Annual Meeting.

The Fund intends to co-file the Proposal with the Comptroller of the City of New York acting on behalf of the New York City Teachers' Retirement System and the Board of Education Retirement System (the "Lead Filer"). The Fund hereby grants the Lead Filer authority to discuss the Proposal with the Company on behalf of the Fund and the authority to withdraw the Proposal, if necessary.

The Fund is the beneficial owner of 3338 shares of voting common stock (the "Shares") of the Company. The Fund has held at least \$2,000 in market value of the Shares for over one year, and the Fund intends to hold at least \$2,000 in market value of the Shares through the date of the Annual Meeting. A letter from the Fund's custodian bank documenting the Fund's ownership of the Shares is enclosed.

The Proposal is attached. I represent that Lead Filer, the Fund or its agent intends to appear in person or by proxy at the Annual Meeting to present the Proposal. I declare that the Fund has no "material interest" other than that believed to be shared by stockholders of the Company generally. Please direct all communications or correspondence regarding the Proposal to me at 202-486-2187 or brees@aflcio.org.

Sincerely,

Brandon J. Rees, Deputy Director
Corporations & Capital Markets

Attachments

BJR/sdw
opeiu #2, afl-cio

RESOLVED: Shareholders request that the Board of Directors of Wells Fargo & Company (the “Company”) adopt a policy for improving workforce diversity by requiring that the initial pool of candidates from which new employees are hired by the Company in the U.S. shall include at least one qualified woman and one ethnically or racially diverse candidate (a “Diverse Candidate Search Policy”).

Supporting Statement

Last June, Wells Fargo CEO Charlie Scharf proclaimed: “While it might sound like an excuse, the unfortunate reality is that there is a very limited pool of black talent to recruit from.” He subsequently acknowledged that his “insensitive comment” reflected his “own unconscious bias.”

While the Company disclosed that 41% of its senior leaders within two to four reporting levels down from the CEO were women and 20% were racially diverse as of December 31, 2019, we believe this provides a misleading picture of senior-level diversity. According to verified research by Stanford Graduate School’s Corporate Governance Research Initiative, there was no racial or ethnic diversity among Wells Fargo’s CEO and his 12 direct reports as of December 11, 2019.

A recent study by McKinsey & Company found a “positive, statistically significant correlation between company financial outperformance and diversity, on the dimensions of both gender and ethnicity. This is evident at different levels of the organization, particularly on executive teams” (Diversity Wins: How Inclusion Matters, May 2020).

As long-term shareholders, we are concerned that the lack of racial and ethnic diversity among the most senior ranks of the Company’s executive management not only harms its financial performance, but also sets a poor tone at the top for diverse hiring processes throughout the Company.

A diverse workforce at **all** levels of a company can enhance long-term company performance. Workforce diversity provides a competitive advantage to companies by helping to attract and retain talented employees, strengthening customer relationships, increasing employee satisfaction, improving corporate decision-making, and enhancing corporate reputations.

The Diverse Candidate Search Policy can ensure that the Company’s recruitment pools for external hires are adequately diverse. Modeled on the National Football League’s “Rooney Rule,” it does not dictate who should be hired, but instead widens the talent pool by requiring a diverse set of candidates for consideration before a hiring decision.

We commend the steps that our Company has taken to promote workforce diversity and inclusion in its senior ranks. In our view, adopting a Diverse Candidate Search Policy will extend our Company’s existing efforts beyond the hiring of its highest paid executives to the hiring of *all employees*. We believe this will broaden our Company’s access to talent for recruitment and diversify its internal talent pipeline.

The Black Lives Matter and #MeToo movements have highlighted the social policy significance of diversity, equity and inclusion. Many companies have also embraced the business case for promoting workforce diversity. We believe that our Company can further enhance its own diversity efforts.

For these reasons, we urge shareholders to vote for this proposal.

November 12, 2020

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

Dear Secretary Augliera:

Amalgamated Bank of Chicago, is the record holder of 3338 shares of Common Stock (the "Shares") of Wells Fargo & Company beneficially owned by the AFL-CIO Reserve Fund as of November 12, 2020. The AFL-CIO Reserve Fund has continuously held at least \$2,000 in market value of the Shares for over one year as of November 12, 2020. The Shares are held by Amalgamated Bank of Chicago at the Depository Trust Company in our participant account No. 2567.

If you have any questions concerning this matter, please do not hesitate to contact me at (312) 822-3112.

Sincerely,



Mary C. Murray
Senior Vice President

cc: Brandon J. Rees
Deputy Director, AFL-CIO Corporations & Capital Markets

Subject: FW: UAW Retiree Medical Benefits trust Submission of Resolution as Co-filer
Attachments: Cover Letter for Wells Fargo Shareholder Resolution Submitted by UAW Trust 20201113.pdf v1.pdf; Diverse Candidate Search Policy shareholder proposal Final 11-12-20.pdf

Importance: High

From: Meredith Miller <mamiller@rhac.com>
Sent: Friday, November 13, 2020 5:15 PM
To: Augliera, Anthony R (Legal) <anthony.augliera@wellsfargo.com>
Cc: Cambria Allen <callen@rhac.com>; Mark Hill <mhill@rhac.com>; David Greenberg <dgreenberg@rhac.com>
Subject: UAW Retiree Medical Benefits trust Submission of Resolution as Co-filer
Importance: High

Dear Mr. Augliera:

The attached resolution is submitted by the UAW Retiree Medical Benefits Trust to Wells Fargo & Company for inclusion in the 2021 annual proxy. We are co-filing the resolution and acknowledge the primary filer is the Comptroller of the City of New York acting on behalf of the New York City Teachers' Retirement System and the Board of Education Retirement System (the "Lead Filer"). We grant the Lead Filer authority to negotiate a withdrawal on our behalf.

As noted in our cover letter, proof of ownership will be sent separately. A physical copy of the letter is being sent to you as well. Please feel free to reach out if you have any questions.

Best regards,

Meredith Miller

Meredith Miller
Chief Corporate Governance Officer
UAW Retiree Medical Benefits Trust
Phone: 734-887-4964
Cell: 860-798-3996
Email: mamiller@rhac.com

For all scheduling requests please contact David Greenberg at dgreenberg@rhac.com



November 13, 2020

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

RE: Submission of Shareholder Proposal

Dear Mr. Augliera:

The purpose of this letter is to submit the attached shareholder resolution co-filed by the UAW Retiree Medical Benefits Trust (“we” or the “Trust”) for inclusion in Wells Fargo & Company’s (“Wells Fargo” or the “Company”) proxy statement for the 2021 Annual Meeting of Stockholders. The Trust is a co-filer with the Comptroller of the City of New York acting on behalf of the New York City Teachers’ Retirement System and the Board of Education Retirement System (the “Lead Filer”). The Trust grants the Lead Filer the authority to negotiate a withdrawal on our behalf.

This resolution is submitted pursuant to Rule 14(a) -8 of the General Rules and Regulations promulgated under the Exchange Act. The Trust is the beneficial owner of more than \$2,000 in market value of the Company’s stock and has held such stock continuously for over one year. Furthermore, the Trust intends to continue to hold the requisite number of shares through the date of the 2021 annual meeting. Proof of ownership will be sent by the Trust’s custodian, State Street Bank and Trust Company under separate cover.

If you have any questions about this proposal, please contact me at (734) 887-4964

Sincerely,



Meredith Miller
Chief Corporate Governance Officer
UAW retiree Medical Benefits Trust
777 East Eisenhower Parkway, Suite 800
Ann Arbor, MI 48108

RESOLVED: Shareholders request that the Board of Directors of Wells Fargo & Company (the “Company”) adopt a policy for improving workforce diversity by requiring that the initial pool of candidates from which new employees are hired by the Company in the U.S. shall include at least one qualified woman and one ethnically or racially diverse candidate (a “Diverse Candidate Search Policy”).

Supporting Statement

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The Black Lives Matter and #MeToo movements have highlighted the social policy significance of diversity, equity and inclusion. Many companies have also embraced the business case for promoting workforce diversity. We believe that our Company can further enhance its own diversity efforts.

For these reasons, we urge shareholders to vote for this proposal.

Subject: FW: UAW RMBT Ownership confirmation
Attachments: Ownership Form - Wells Fargo & Company Nov 13.pdf

From: RM_UAW_RMBT <RM_UAW_RMBT@StateStreet.com>
Sent: Thursday, November 19, 2020 3:11 PM
To: Augliera, Anthony R (Legal) <anthony.augliera@wellsfargo.com>
Cc: mhill@rhac.com; mamiller@rhac.com; callen@rhac.com; dgreenberg@rhac.com; RM_UAW_RMBT <RM_UAW_RMBT@StateStreet.com>
Subject: UAW RMBT Ownership confirmation

Information Classification: ●● Limited Access

Hello Anthony,

Please see the attached letter of confirmation of ownership of shares. I have also sent a hard letter to you via UPS, tracking is below.

Tracking Number:
1Z88A00E0197286914

Service:
UPS Next Day Air

Delivered By:
10:30 AM Friday, Nov 20, 2020

Please let me know if you require anything else.

Thank you,

Jeanie A. Smith

Assistant Vice President | State Street Institutional Services | US Asset Owner | 2495 Natomas Park Drive, Suite 400, Sacramento, CA 95833

Phone: 916-319-6919 | Cell: 916-425-0164 | JSmith13@StateStreet.com

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If you are not the intended recipient, you must not use, copy, disclose, or take any action based on this message or any information herein. If you have received this message in error, please advise the sender immediately by reply e-mail and delete this message.
Thank you for your cooperation.



November 13, 2020

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

Re: Shareholder Proposal Record Letter for The Wells Fargo & Company (Cusip 949746101)

State Street Bank and Trust, as custodian for the UAW RMBT, to the best of our knowledge declares the following:

State Street Bank and Trust performs master custodial services for the UAW RMBT Retirement System.

As of November 13, 2020, and continuously for at least the immediately preceding twelve months, UAW RMBT is and has been the beneficial owner of shares of common stock Wells Fargo & Company having a market value in excess of \$2,000.

Such shares beneficially owned by the UAW RMBT are custodied by State Street Bank and Trust through the electronic book-entry services of the Depository Trust Company (DTC). State Street is a participant (Participant Number 0997) of DTC and shares registered under participant 0997 in the street name of Surfboard & Co. beneficially owned by the UAW RMBT.

Signed this on the 13th day of November at Sacramento, California.

STATE STREET BANK AND TRUST
As custodian for the UAW RMBT.

By:

Name: Jeanie A. Smith
Title: Assistant Vice President

EXHIBIT B

Investing in our employees

Culture

At Wells Fargo, we aim to work every day with the highest standards of integrity and operational excellence to deliver what's expected of us by our stakeholders. Being our best takes all of us working together with a shared understanding of what we do and how we do it. Our past provides perspective and guidance, but we are moving with urgency and optimism toward our future. Approaching our work in new ways and challenging past perspectives helps us make the most of the meaningful opportunities that exist across all of our businesses. We are changing the way we run the company and redefining parts of our culture in order to be more effective.

In 2020, we introduced a new set of expectations for everyone at the company. These expectations guide how we lead ourselves, collaborate with our colleagues, and make decisions. The following expectations apply to everyone at Wells Fargo, at every level, and in every role.

- Embrace candor
- Do what's right
- Be great at execution
- Learn and grow
- Champion diversity and inclusion
- Build high-performing teams (for managers)

Diversity and inclusion

Meeting the increasingly diverse needs of Wells Fargo's global customer base is critical to our company's long-term growth and success. To be successful, we must create a truly diverse and inclusive workforce that brings a wide range of insights and perspectives to all levels of our company. That's what will drive us to the best possible ideas and outcomes. We're advancing diversity and inclusion – helping ensure that all people across our workforce, our communities, and our supply chain feel valued and respected and have equal access to resources, services, products, and opportunities to succeed.

We have separate diversity and inclusion strategies in place for our U.S. and international locations, due to complexities and nuances among the jurisdictions in which we operate. But all these strategies seek to align with our companywide priorities, while being consistent with regional business strategies, and cognizant of local demographics, legal and regulatory requirements, and cultural and social dynamics.

Performance trends can be found in the [Wells Fargo ESG Goals and Performance Data \(PDF\)](#).

We announced in March 2020 that our CEO will review the following expectations with each member of our Operating Committee:

- Require diverse candidate slates and interview teams for key roles at Wells Fargo with total direct compensation of more than \$100,000. (At this time, this is applicable only to the U.S.-based interview process. International will be considered in future phases.)
- Sustain our diverse supplier program and explore opportunities with diverse asset managers and other business partners.
- Include diversity and inclusion objectives, metrics, and activities in all regular business reviews.
- Launch a “returnship” program focused on diverse talent who have been out of the workforce for an extended period to support their return to the industry.
- Build a formal development program for high-potential employees to create a more diverse and inclusive talent pipeline.
- Expand the reach of early talent program recruiting by increasing our participation in the U.S. with Hispanic-serving institutions (HSIs) and historically black colleges and universities (HBCUs); this includes in-person and virtual diversity events.

Wells Fargo’s Operating Committee members are also expected to:

- Increase diverse representation at all levels in their functions or lines of business.
- Personally sponsor an employee resource group.
- Host quarterly diversity- and inclusion-focused conversations across the company.

- Actively engage in external diversity and inclusion efforts, including at least one of the following:
 - Partnering with talent acquisition to recruit from one of the HSIs or HBCUs on our core recruiting list.
 - Participating in diversity events, along with a commitment to potentially interview and hire on the spot.
 - Identifying and engaging with an external diversity-focused organization related to their lines of business or functions.
- Implementing an enterprise-developed sponsorship program within their lines of business or function.
- Building internal and external diverse leadership pipelines.

In addition to the broad set of expectations described above, in June 2020, our CEO made additional commitments to increase Black and African American employee representation (see [Facing racism and social injustice in America](#) section).

We’ve worked hard to develop a robust diversity and inclusion program that’s composed of an Enterprise Diversity and Inclusion Council, line of business diversity and inclusion councils, employee resource groups, training, and dedicated partners and associates to help make sure that our company continues to grow and that our business will be sustained in a changing marketplace.

Diversity and inclusion councils

Diversity and inclusion priorities and goals are set by the Enterprise Diversity and Inclusion Council, which is led by our CEO and comprised of leaders across the company. We also have diversity and inclusion councils at the line-of-business and functional levels, and for our cross-enterprise

international regions. They're all aligned with and support the enterprise diversity and inclusion strategy, which focuses on employee outcomes, marketplace (including customers and suppliers), and advocacy (external relationships, community, and reputation efforts). Enterprise Diversity and Inclusion Council members collaborate on priority initiatives with members of our line-of-business and international diversity councils and employee resource groups.

Employee resource groups

Our employee resource groups are devoted to professional growth and education, community outreach, recruiting and retention, business development, and customer insight. The networks, with chapters around the globe, are organized by employees who share a common background, experience or other affinity, and they're open to all employees. They promote cultural competence and provide a place for employees to connect, learn, build and leverage their skills, and impact business outcomes. We have 10 employee groups representing diversity dimensions including Asian, Black and African American, Disabilities, Latin, Middle East, Generational, Native Peoples, LGBTQ, Veterans, and Women's.

Diversity and inclusion training

Seeking, accepting, and encouraging diverse perspectives and making sure others feel included and valued are behavioral expectations at Wells Fargo. We ask employees to familiarize themselves with our diversity and inclusion strategy, priorities, and available tools and training. Employees complete training that focuses on understanding our diversity and inclusion foundations, recognizing

Diversity and inclusion responsibilities

- **Make sure that people feel included, valued, supported, and heard.**
- **Recognize and address your own biases.**
- **Seek, accept, and encourage diversity of people and thought.**

unconscious bias, appreciating differences, and leading inclusively. We offer experiential learning programs to provide deeper learning and collaboration on key diversity and inclusion initiatives and topics.

Collaborating to attract, develop, and retain diverse individuals

Our goal is for our employees to reflect the diversity of the communities we serve. To that end, we strive to attract, develop, and retain the best-qualified, most diverse group of employees we can find. However, diversity is only part of the equation. We also work to foster an inclusive culture that values differences and is open to new ideas. We know this results in better decision-making and innovative solutions that give us a competitive advantage in the marketplace.

Wells Fargo works with multiple diversity organizations that focus on racially and ethnically diverse communities, women, veterans, people with disabilities, and the LGBTQ community. These organizations provide us with an opportunity to build relationships and recruit diverse talent at different stages of professional life. Our employees are active members of these organizations and some serve in leadership roles. These groups also offer our

employees developmental opportunities at their annual conferences and chapter-level events throughout the year. Through a combination of direct recruiting and support of these partner organizations, we engage in a host of activities to educate, support, and attract diverse talent.

Key partners include:

- The Hispanic Scholarship Fund
- The National Association of Black Accountants
- The National Black MBA Association
- The United Negro College Fund
- Management Leadership for Tomorrow
- The Forte Foundation (Women in Business)
- Women in Technology International (WITI)
- ROMBA (Reaching out MBA - LGBTQ)
- ASCEND (Asian Professional organization)

Supporting employees with disabilities

We seek solutions and reasonable accommodations that help our employees with disabilities or medical restrictions successfully do their jobs. We collaborate with employees to explore such accommodations through a dedicated team of diverse multidisciplinary professionals with expertise in occupational health and psychiatric nursing, vocational rehabilitation, behavioral/mental health, ergonomics, disability management, human resources, employee relations, benefits, and leave administration. We continue to see an increase in the number of our employees who self-identify as having a disability, as well as in our ability to recruit top talent who do.

Hiring military veterans

We employ military veterans, veterans with disabilities, and active and reserve duty military personnel and their families. And we back that commitment with a variety of resources, educational information, and career guidance. For military members seeking employment with our company, we offer the [Veteran Employment Transition \(VET\) Program](#), [Military Apprenticeships](#), and our Boots 2 Banking hiring initiative. These platforms offer candidates opportunities to gain financial service industry experience. For family members, we offer the [Wells Fargo Veterans Scholarship](#), [Military Property CareSM](#), and [Hands on Banking](#).

In addition to the direct support we offer military members and their families, we also provide indirect assistance to the military community through our involvement and contributions to various [Veteran Service Organizations*](#) and military family support programs. We also offer support through foundation donations, employee volunteer hours, and event sponsorship.

Facing racism and social injustice in America

Inequality and discrimination have been all too real, for far too long, and must not continue. Race-related issues this year in the United States have exposed much pain and frustration with the lack of progress in eradicating racial inequities within our country and around the world. That's why we support those expressing their voices and taking action globally, nationally, and locally to support change. We hope that the protests across the country and world are the beginning of the end: the end of policies, processes, and systems that undermine Black and African American people and communities.

Here at Wells Fargo, we have taken time to listen and learn from employees, customers, and stakeholders to determine the best approach to drive real and meaningful change.

We know there is much to be done and that it will take time. Initially, we have announced:

- The creation of a new Diversity and Inclusion role that will report directly to the CEO.
- Senior level accountability: As part of the year-end evaluation process, Operating Committee members will be evaluated based on their progress in improving diverse representation and inclusion in their areas of responsibility.
- Education sessions: A series of education sessions will be offered to employees to help them gain personal perspectives on the reality of racism in the U.S.
- Expanded antiracism manager training: All managers, beginning with the Operating Committee and then the Management Committee, will be required to participate in a new, live, and interactive program specifically designed to tackle today's challenges.
- Increased representation: We have committed to doubling our Black and African American leadership over the next five years and will build broader representation on the Management Committee so we can promote from within.

We remain committed to the several long-standing programs that we have in place to help the Black and African American community, including the commitments we've made to support homeownership and entrepreneurship. Additionally, in March 2020, we announced our plans to invest up to \$50 million in African American Minority Depository Institutions as part of Wells Fargo's commitment to supporting economic growth in Black and African American communities.

Beyond our support for the Black and African American community, in March 2020, Charlie Scharf outlined his intentions to advance our diversity and inclusion efforts throughout the company by increasing diverse representation at all levels of our workforce, expanding our diverse talent programs, and sustaining our diverse supplier program.