



*Conversations that
make a **difference**.*

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About this report

This interim report provides an abbreviated overview of Wells Fargo's Corporate Social Responsibility (CSR) programs, activities, and future commitments we've identified as most material to our business and our key stakeholders. We are currently publishing a full CSR report biennially with an interim update in the year between. Our previous report was guided by the Global Reporting Initiative (GRI) G3.1 Sustainability Reporting Guidelines and can be found at wells Fargo.com. Our CSR Report should be reviewed as a companion to the 2012 Wells Fargo & Company Annual Report and 2012 Proxy Statement, where we provide additional facts, figures, and analysis of our business.

Report scope

This report covers 2012 data and activities for Wells Fargo & Company's U.S. operations in the areas that represent the majority of our economic, environmental, and social impacts, unless otherwise noted. Some anecdotal information about our international operations is included. We continue to explore ways to expand the scope of our reporting to encompass performance data for our global operations. Financial data is presented in U.S. dollars.

Company profile

Wells Fargo & Company (NYSE: WFC) is a nationwide, diversified, community-based financial services company with \$1.4 trillion in assets. Founded in 1852 and headquartered in San Francisco, Wells Fargo provides banking, insurance, investments, mortgage, and consumer and commercial finance through more than 9,000 stores, 12,000 ATMs, and the Internet (wellsfargo.com), and has offices in more than 35 countries to support the bank's customers who conduct business in the global economy. With more than 265,000 team members, Wells Fargo serves one in three households in the United States. Wells Fargo & Company was ranked No. 26 on *Fortune's* 2012 rankings of America's largest corporations. Wells Fargo's vision is to satisfy all our customers' financial needs and help them succeed financially.

On the cover

Wells Fargo volunteer Esther Lee and other members of Wells Fargo's Puget Sound Green Team volunteer at Seattle University's Urban Farm (see page 5).

Forward-looking statements

This interim CSR report contains forward-looking statements about our future activities and expectations, using words such as "intend," "expect," "can," "will," "looking ahead," "believe," or similar expressions. These forward-looking statements are based on management's current expectations at the time the report was published. We do not plan to update those statements to reflect changes or events that occur after that date. Our activities and results may differ materially from those included in these statements because of a variety of factors. Please refer to Wells Fargo's periodic reports filed with the Securities and Exchange Commission for information about factors that could cause our actual activities or results to differ materially from expectations.



John G. Stumpf

To our stakeholders,

As one of the country's largest financial institutions, with an increasing global presence, we understand we have a significant impact on the financial success of people worldwide and on the well-being of thousands of communities where we live and work. That understanding comes from conversations we have every day with customers, community leaders, elected officials, and individuals who have stories they want to share. These conversations help us develop new approaches to serving our customers, improving our business practices, and establishing grass-roots partnerships and solutions that make a real difference at the local community level.

Growing up on a farm, I learned that you need to take care of the land and natural resources around you. You need to help your neighbors when they need it. And you need to plant the seeds today that you want to harvest in the future. Taking the long view really matters.

Working in banking for more than 30 years, I've also learned that the health and vitality of any bank depends on the health and vitality of the people and the communities surrounding it. The two go hand in hand. For me, being a good corporate citizen is not an abstract concept, or something that's nice to be. It's fundamental to Wells Fargo's Vision & Values and to the way we manage our company.

This report shares some of the important work we're doing to help our customers and communities succeed financially. It's also another step in an ongoing conversation with our team members, customers, business partners, community leaders and other stakeholders, a conversation about how Wells Fargo interacts with, and contributes to, society, the economy, and to the health of the environment. Throughout this report, you'll read stories and encounter examples that demonstrate our understanding of, and engagement in, the fundamental issues that shape our world.

We know our customers need a safe, trustworthy, and capable financial partner who can help them achieve their goals such as buying a home, educating their children, building a business or saving for retirement. We also know our company's presence — and our contributions to communities here and around the globe — makes a real difference.

We're breaking previous records in philanthropic giving and volunteerism in local communities, but there is still a lot of work to do, with some challenges and many opportunities. We're here to serve our customers, to help them succeed financially, to invest in our communities, and to help our nation grow stronger. We're committed to connecting with our stakeholders and communities, and to listening and understanding, to doing what's right, to admitting mistakes and learning from them. That's who we are and that's what we do. Thank you for giving us the privilege.

John G. Stumpf
Chairman, President and Chief Executive Officer
Wells Fargo & Company

Creating local solutions for local needs

At Wells Fargo, we want to help our customers and communities succeed over the long term. We strive to be active community leaders, working side by side with stakeholders to create local solutions for local needs. Together we're getting families into homes and helping to keep them there. We're helping small businesses grow and create jobs. We're investing in the issues our team members, customers and communities care about. We're integrating our environmental and social practices into our business strategies, products, operations, and supply chain. And we're operating our business responsibly so that natural resources are protected. Why? Because when communities prosper, so do we.

Part of helping customers succeed financially — our company vision — means supporting thousands of neighborhoods and communities and all their varied priorities. In order to have meaningful impact, we focus on issues that closely align with the needs of our stakeholders and communities. Our unique combination of skills, knowledge, and capabilities allows us to make great progress in the areas of environmental stewardship, community investment, product and service responsibility, ethical business practices, and team member engagement. Wells Fargo's Corporate Social Responsibility (CSR) efforts are focused on these five strategic areas.

In our last [CSR report](#), we established comprehensive goals to work toward through 2020. These goals are advancing the progress we've already made in areas such as waste and energy reductions, stakeholder engagement, foreclosure prevention, and governance. They also supported our progress during 2012 in several critical areas:

- Invested \$315.8 million in 19,500 nonprofits to support education, the environment, human services, community development, civic initiatives and arts and culture.
- Committed \$7 billion in loans and investments to projects supporting community development, revitalization and stabilization in distressed communities.



Jon R. Campbell

- Loaned \$16 billion to American small business owners — more dollars than any other bank over the last 10 years — helping to fuel entrepreneurship, job creation and economic self-sufficiency.
- Helped more than 1,600 new homeowners with \$27 million in down payment assistance through 16 Wells Fargo *LIFT* programs.
- Invested more than \$6 billion in environmental financing, including “green” building and renewable energy.
- Implemented a diversity scorecard for our CEO and his direct reports to measure our progress in diversity and inclusion, and increase accountability.

We accomplished these goals and others because of our record earnings and the strength of our passionate team members. In fact, our team members set company records in volunteerism and donations for causes close to their hearts.

We made other significant financial commitments in 2012 to help with our country's current issues. These goals include:

- \$35 million over the next three years to support military service members and veterans with homeownership, jobs and financial education.
- \$25.6 billion in mortgage lending and an additional \$170 million in down payment assistance, homebuyer financial education and support over the next 5 years.

- \$30 billion in financing to environmentally beneficial business opportunities, \$100 million in community grants for grass-roots environmental initiatives, and a 40% increase in the company's energy efficiency.

In January 2013, we also announced a commitment to lend a total of \$55 billion to women-owned small businesses by 2020, updating the women's lending commitment we first established in 1995.

While we're making great progress toward many goals, we know there is still a lot for us to learn and accomplish.

We continue to strengthen our CSR strategy by listening to our key stakeholders. Our Government and Community Relations team members reach out and engage in conversations with many interested parties every day to better understand their concerns and coordinate support. We also have 50 Market Reputation Committees, 83 Volunteer Chapters, 70 Wells Fargo Green Teams, and nine Team Member Networks across the country proactively connecting with local communities at the grass-roots level. These relationships help us ensure we are offering responsible financial products and services that truly meet the needs of all communities. We learn from these frank dialogues, which help us develop new business practices and policies, create and deliver new products, and develop new approaches to serving our customers and communities.

Our best conversations with key stakeholders lead to innovative ideas and long-term partnerships where we share resources, expertise and distribution networks to create practical, sustainable solutions meeting local needs. Let me give you a few examples:

- Lack of financial education remains one of the biggest issues in underserved communities. We launched a five year, \$5 million national effort with United Way Worldwide to provide financial counseling and access to education and resources to low- and moderate-income households. This turnkey program is being replicated in several local markets across the U.S.
- When community leaders told us they were worried about the large number of available homes in some neighborhoods, we listened. We're working together with *NeighborWorks*® America, local nonprofits and government agencies to help potential homeowners purchase homes and promote sustainable homeownership. Through the Wells Fargo *NeighborhoodLIFT*™ and *CityLIFT*™ programs, Wells Fargo provided \$170 million in down payment assistance, local grants, and homebuyer support and education in 20 U.S. housing markets.
- The Rainbow PUSH Coalition, along with its powerful distribution network of churches, helped get our *Hands on Banking*® financial education program to 20,000 parishioners in 1,500 churches. This was accomplished through One-Thousand Churches Connected, a program born from dialogue with the Rev. Jesse Jackson and the Rainbow PUSH Coalition about how we could improve our outreach to the African American community.

We invite you to read our interim report to get more details about our progress. You can find a summary on pages 24–25. This transparent statement of our efforts serves to inspire meaningful conversations with our stakeholders, which we are always working to improve. In addition, compiling a thoughtful assessment of our current achievements and challenges allows us to reflect and find even more effective ways to achieve our sustainability goals.

With this report, we're expanding our CSR reporting by providing more detail and transparency about material issues, goals and achievements. For example, we joined Ceres, an organization that advocates for sustainability leadership, and committed to improving our sustainability disclosures and performance by engaging with investors, environmental and civic society groups and other stakeholders. Our renewed environmental commitment (see page 6) reflects input from Ceres.

We're proud of everything we've accomplished in 2012, but we realize the expectations of others, and the even higher expectations we have of ourselves, have not always been met. And if we make mistakes we admit them, and learn from them. We'll keep moving forward with a deeper commitment to do what's right for our customers and communities.

As we continue to progress for both the company and the country, I see more opportunities to strengthen our work, better serve our customers, support our team members, and help our communities succeed. And with our new goals, strategies, and partnerships, I'm confident we're on the right track to realizing these opportunities.

Thank you for your interest in our CSR work. We look forward to working alongside you, with your engagement, for many years to come.

Jon R. Campbell
Executive Vice President, Director, Government and Community Relations
Wells Fargo & Company

2012 Awards and Accolades:

- *American Banker*: Most Powerful Women in Banking; One of America's Top Banking Teams
- *Barron's*: World's 27th Most Respected Company
- *BLACK ENTERPRISE*: One of the Top 40 Best Companies
- *Brand Z*: Among the Top 20 Most Valuable Brands in the World
- *Carbon Disclosure Project*: Named to Leadership Indexes for greenhouse gas emissions reduction and disclosure
- *Corporate Responsibility Magazine*: Among the 100 Best Corporate Citizens
- *DiversityInc*: 33rd Best Company for Diversity; Top Company for LGBT Employees
- *Fortune*: World's 45th Most Admired Company
- *Human Rights Campaign*: Perfect Score of 100 on Corporate Equality Index
- *LATINASTyle*: 14th Best Company for Latinas
- *The Chronicle of Philanthropy*: America's Fourth Most Generous Cash Donor

*14,000 pounds of
fresh produce reach
family tables.*

We like to see our team members get their hands a little dirty, especially when it benefits local communities. As urban gardens pop up around the U.S., many Wells Fargo Green Team members are volunteering with local nonprofits to create community gardens, stock food pantries, support sustainable agriculture and provide education.



\$8 million

*in grants to nearly 400 environmental nonprofits,
up 80% from 2011.*

It's an unlikely spot for a farm. But thanks to Seattle University and help from Wells Fargo and other community partners, a wastewater treatment site in Renton, Washington, has been turned into a sustainable source of high-quality, healthy food for families in need in the Puget Sound area.

Michael Boyle, a professor in the university's Environmental Studies Program, helps manage the farm. "The site was buried under 10 to 15 feet of rubble," said Boyle.

After clearing 2.5 acres of debris, the land was fortified with nutrient-rich soils and transformed into the Urban Farm. "Wells Fargo team members urged us to apply for a grant so we could expand," said Boyle. "In the farm's second year [2012], Wells Fargo donated \$100,000, helping plant new trees and doubling its production of broccoli, spinach, beans, tomatoes, and other produce to 14,000 pounds," said Boyle.

The grant is part of Wells Fargo's \$100 million environmental philanthropy commitment to support nonprofits, universities, and clean-technology incubator programs.

Wells Fargo volunteers like Esther Lee and other members of Wells Fargo's Puget Sound Green Team regularly spend time weeding, planting, watering and harvesting alongside students and faculty members. Local food banks get the freshly picked fruits and vegetables. Aside from its emphasis on producing local, organic food, the program uses resources recovered from the wastewater treatment process — specifically, bio-solid compost and reclaimed water — for safe and effective food production. The farm connects with local school districts to offer education on healthy eating and sustainable agriculture.

Wells Fargo's Esther Lee with
Professor Michael Boyle, Renton, Washington

Environmental stewardship

We believe those of us who can, should lead positive environmental change and we embrace that responsibility. That's why as, we do business, we try to protect natural resources and the environment. We're finding new ways to minimize our energy consumption, reduce waste, support renewable sources of energy while building stronger communities.

In April 2012, we released a new environmental commitment with a comprehensive set of goals and metrics that we can measure against through 2020. We developed the goals and metrics through conversations with stakeholders, and our commitment focuses on three areas—encouraging stronger communities, accelerating a “greener” economy and reducing the environmental impact of our operations. In December 2012, Ceres, an advocate for sustainability leadership, approved Wells Fargo as a member of the Ceres company network. Ceres also provided extensive feedback and input on our environmental commitment through a series of multi-stakeholder engagements.

Encourage stronger communities: Where we live

In 2012, we contributed nearly \$8 million in grants to nearly 400 environmental nonprofits, up 80% from 2011. To meet our goal to give \$100 million to environmental nonprofits by 2020, we launched two grant programs:

- The Clean Technology and Innovation grant program fosters and funds entrepreneurial ideas for new and emerging clean technologies with leading universities and incubator programs. Our first grant of \$500,000 over five years went to the Energy Efficiency Center at the University of California, Davis to support research in developing and commercializing energy-efficient technologies.
- Our Environmental Solutions for Communities grant program is funded through a five-year, \$15 million partnership with the National Fish and Wildlife Foundation. Working together, we're investing in nonprofits focused on sustainable agriculture and forestry, land conservation and water resources, habitat and urban ecosystem restoration, green infrastructure, and environmental education. Our \$50,000 grant to the Buffalo Olmsted Parks Conservancy, in Buffalo, New York, is helping preserve more than an acre of land within Olmsted Delaware Park, a historic landmark.

Our team members volunteer to work on environmental projects throughout the year. In 2012, nearly 100 team members participated in solar installations with GRID Alternatives, a nonprofit focused on clean, affordable energy in low-income communities, in 10 cities across California and Colorado. We've committed \$2 million over the next five years to help GRID expand its model in Colorado and other markets across the country.

Our team members also helped to build or renovate 363 homes for low- and moderate-income homeowners meeting “greener” building standards, and donated more than \$4.7 million toward the work on these homes to affordable housing nonprofits through the Wells Fargo Housing Foundation's team member volunteer program.

Accelerate a “greener” economy: In our business

We provided more than \$6 billion in financing to support environmental business opportunities in 2012, taking the first step toward meeting our new \$30 billion environmental commitment. Since 2005, Wells Fargo has provided more than \$20 billion in capital to “greener” buildings, “greener” businesses, and renewable energy projects. In 2012, we funded a 7.5-megawatt solar power system designed and built by SunPower Corp. for the city of Phoenix, Arizona's, Lake Pleasant Water Treatment Plant. The water plant's 22,936 solar panels create clean power, resulting in approximately \$4.2 million in electric energy cost savings over the next 20 years. Based on U.S. Environmental Protection Agency data, SunPower projects that the system will offset the production of more than 9,000 tons of carbon dioxide each year.

We also helped New Jersey's Garden State Preservation Trust (GSPT) raise more than \$281 million through its Open Space and Farmland Preservation Refunding Bonds. The GSPT used these funds to acquire and develop lands for recreation and conservation, to preserve farmlands, and to preserve historic projects administered by the New Jersey Department of Environmental Protection.

We have continued to expand options for customers to install renewable energy by providing more than \$500 million to solar and wind projects through project equity investments, construction finance, and direct lease and loan financing. We also arranged or lent customers more than \$3.5 billion for LEED®, Energy Star, brownfield site redevelopment, and other “greener” building projects, many of which are in low- and middle-income communities.

We offer customers the products, services and advice they need to become environmentally responsible. We launched a vehicle service contract option called EcoMind®, which provides additional coverage for the parts that help vehicles run more efficiently, burn cleaner fuel, and reduce overall emission output. In partnership with the Arbor Day

80% increase

in grants to nearly 400 environmental nonprofits since 2011, amounting to nearly \$8 million



Our commitment... focuses on three areas—encouraging stronger communities, accelerating a “greener” economy, and reducing the environmental impact of our operations.

Foundation, for every service contract sold, we sponsored the planting of 25 trees in national forests devastated by wildfires or disease, for a total of 437,925 trees to date. In addition:

- Wells Fargo was the first bank to offer e-receipts to its customers. Today, 12% of receipt-eligible ATM transactions result in an e-receipt, with more than 100 million e-receipts sent to date. Another 32% of ATM transactions result in the selection of the “no print” option.
- In 2012, all retail banking stores accept paperless withdrawals, eliminating paper waste for those transactions. Eighty-eight percent of withdrawals now use this electronic option. Customers in banking stores can also select an e-receipt or a no-receipt option similar to the ATM experience.

Reduce the environmental impact of our operations: How we work

GOAL	2008–2012 PROGRESS ¹
35% square footage in leased and owned buildings LEED certified	5%
65% increase in waste diversion (recycling rate)	61%
40% increase in energy efficiency	18%
45% increase in water efficiency	26%
35% reduction in absolute greenhouse gas emissions	-18%

We've been building Leadership in Energy and Environmental Design (LEED)-certified stores since 2008. We're committed to finding new ways to minimize energy consumption and use renewable sources of energy. For example:

- We designed, installed, and tested our first-ever 100% LED outdoor lighting project at a new banking store in Hurst, Texas. This project eliminated the use of mercury-filled metal halide lights, resulting in a 77% decrease in energy use, and 34% decrease in raw materials. Based on the success of this pilot, all newly built Wells Fargo banking stores will incorporate exterior LED lighting technology starting in 2013.

¹We have made changes that will cause our baseline year to be adjusted. Data in the table above may change slightly when this work is completed. Final data will be published on www.wellsfargo.com later in 2013.

- We launched a LEED Existing Building (EB) Volume program with nine properties totaling 5.6 million square feet to be LEED-certified in 2013. An additional 1.3 million square feet of new LEED Commercial Interior (CI) projects are underway in five U.S. cities and Hyderabad, India.
- We launched an energy audit program on 45 large properties, representing 15 million square feet, or 40% of our purchased electricity. We expect to implement energy conservation measures throughout 2013, which will yield savings of more than 40 million kWh.
- We achieved LEED Platinum certification for our Wells Fargo Centre in Hyderabad, India—the highest level awarded by the U.S. Green Building Council and the first Wells Fargo international property to be LEED certified.

In 2011, we committed to enhancing our Environmental Management System (EMS) and strategy to comprehensively track, measure and reduce our environmental footprint. During 2012, we implemented an automated greenhouse gas emissions tracking and measurement tool and expanded the scope to include all facilities leased and owned worldwide. We aligned the EMS with the core elements of the ISO 14001 Standard.

We are working with a diverse group of stakeholders to develop a new Supplier Code of Conduct. Deployment has been rescheduled to better integrate with the Wells Fargo Human Rights Statement under development and other supplier management processes and protocols (see page 18). Alignment of these efforts will enhance our ability to monitor and facilitate adherence to the new Supplier Code of Conduct. These guidelines will include clear environmental stewardship requirements for all current and prospective suppliers, including solutions or business practices to reduce absolute greenhouse gas emissions, increase energy efficiency, reduce water consumption, and increase waste diversion from landfills.

We want Wells Fargo to be a role model for environmentally responsible practices, and we can't do that without our team members. During 2012, Wells Fargo Green Teams grew by 30%, with 70 teams and nearly 7,000 members. Team members helped the company save about \$25,000 by trading office supplies through The Supply Depot, Wells Fargo's internal office exchange. Our Vancouver, British Columbia team also created a “no trash can” pledge and trade-in program, and more than 95 team members began participating, saving an estimated 21,850 trash bags annually.

Team members help students *Get Smart About Credit*.

Most of us learn how to count cash early, but too many students graduate from high school without knowing the first thing about managing money and credit wisely—critical life skills that create economic self sufficiency. We believe it's never too early—or too late—to learn those lessons.



37% increase

2,834 team members delivered financial education lessons to 153,902 students and families, a 37% increase over 2011.

Seventh- and eighth-graders at Marshall Middle School in Columbus, Georgia, recently got lessons in the benefits of credit—and how to use it responsibly—from Store Manager John Paschal.

For the past three years, Paschal has taught financial education seminars at local schools and the Goodwill Learning Center. Each year, Wells Fargo uses the *Hands on Banking*® program as part of our participation in the American Bankers Association's *Get Smart About Credit* and *Teach Children to Save* campaigns.

"Marshall Middle School is in the lower-income part of town, and in many cases they are overlooked," said Paschal. "I thought this would be a great opportunity to show that Wells Fargo gets into the community and looks out for the little guys."

Efforts like Paschal's are part of our year-round focus on bringing much-needed financial education to communities. According to the National Foundation for Credit Counseling, one-third of Americans do not pay their bills on time.

Wells Fargo team members visit schools and community groups to provide financial education to individuals, families and small businesses. Our *Hands on Banking* free educational program is available for all ages.

"I just love working with the kids," said Paschal. "They really develop an understanding for the information and appreciate us taking the time to teach them."

Community investment

When it comes to investing in our communities, we understand one size doesn't fit all. Every city, every neighborhood, and every resident has unique challenges, needs and stories. And we want them to succeed in the long term. So we invest our talent, expertise and financial resources to be right there with them – listening, learning and partnering with key stakeholders to create local solutions for local needs.

Philanthropy and community initiatives

In 2012, we donated a total of \$315.8 million to 19,500 community nonprofits, up 48% over 2011. This increase, coming after four consecutive years of approximately \$200 million in donations each year, was the result of our concerted effort to further help communities affected by the recession. Specifically, our new *NeighborhoodLIFT*SM program provided \$77 million in down payment assistance grants around the country in 2012. We increased our overall corporate giving goal to \$1 billion through 2017 to reflect our increased commitment (see page 24).

Our overall investment also includes \$75.6 million to schools and educational organizations, with an additional \$19.2 million in educational donations from team members, which Wells Fargo matched dollar for dollar, up to \$5,000 per team member.

Through a variety of initiatives, Wells Fargo contributes to the specific needs of our communities. The majority of our giving, more than 90%, supports local community outreach and nonprofits that are meaningful to team members and local communities. We also actively create long-term partnerships with national organizations where we share resources, expertise, and distribution networks to help us reach the individuals and families who need it most. In 2012, we contributed \$13.7 million to organizations such as the Asian Pacific American Islander Scholarship Fund, Hispanic Scholarship Fund, NAACP, National Council of La Raza, National Urban League, Teach for America, Thurgood Marshall College Fund, United Negro College Fund, and U.S. Hispanic Chamber of Commerce Foundation. Over the next four years we will donate \$1.5 million to the Point Foundation, which provides lesbian, gay, bisexual and transgender (LGBT) students with scholarships and mentoring programs.

We also announced a five-year, \$5 million national partnership with United Way Worldwide to help establish a support network for low- and moderate-income households through local United Ways in Houston, Texas; Winston-Salem, North Carolina; Jacksonville, Florida; Atlanta, Georgia; Des Moines, Iowa; San Francisco, California; Phoenix, Arizona; and Miami, Florida. Through this program, community-based groups will provide families with financial education, access

to safe and effective financial products, and training on how to use them. In addition to this commitment, Wells Fargo donated \$13.5 million to more than 300 local United Ways in 2012.

When people needed help following devastating events, we were there to supply resources and hands-on assistance. For example, we donated \$100,000 to help victims of tornadoes in seven states across the Midwest and the South, and another \$100,000 for those affected by wildfires in Colorado. We also donated \$1 million to help the victims of Superstorm Sandy, including \$250,000 to the American Red Cross disaster relief fund for immediate aid for victims, and \$750,000 to nonprofits conducting grass-roots relief and recovery efforts in affected areas (see page 17).

Community development and investments

As a financial institution, we're responsible for providing resources, talent, and products for underserved communities with limited access to traditional financial services. In 2012, we invested \$7 billion in community development loans and investments, up 94% from 2011. We supported economic development, job creation, community services, and affordable housing in low-income communities through Low-Income Housing Tax Credits (LIHTCs), Historic Tax Credits, and New Markets Tax Credits (NMTCs). For example:

- \$44.4 million LIHTC equity purchase, construction loans and permanent financing for the restoration of Sunny Meadows, a unique affordable-housing development in Watsonville, California which includes afterschool care and career training.
- \$14.7 million in NMTC financing for the construction of a 100,000 square-foot food bank distribution center in Orlando, Florida, which will bring \$1.4 billion in food value and new jobs over the next two decades.
- \$11.6 million LIHTC and Federal Tax Credit equity investment, a \$10.8 million construction loan, and equity for a 60-unit independent senior apartment property in Loveland, Colorado. The building will include energy-saving technologies such as a geo-thermal heat exchange heating and cooling system and hot water solar panels with tank-free hot water systems.



153,902

individuals and families received financial education through *Hands on Banking*[®]

Wells Fargo contributed

\$315.8 million

to 19,500 nonprofits and communities in 2012, an average of:

\$6 million

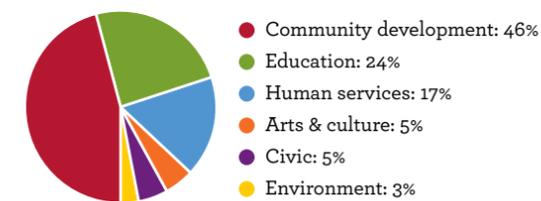
every week or

\$865,200

every day

Philanthropy

In 2012, we increased our total philanthropic investment by 48% over 2011.



\$7 billion

in community development lending and investments

- \$11 million in NMTCs for Oregon Coast Community Action, providing cost-effective joint administration, leadership, and support for children and emergency programs.
- Equity investments with LIHTCs, Historic Tax Credits, and other financing to renovate and preserve the historic Mayfair Mansions in Washington, D.C., the first privately developed multi-family housing property to be insured by the Federal Housing Administration for African American residents.

Wells Fargo has a long history of providing safe, sustainable housing to veterans and active duty military. Today we're the #1 VA home mortgage lender¹ in the country. In 2012, we launched a Military Affairs Program to expand our outreach to members of the military, veterans, and their families undergoing financial hardship. The program helps them get into homes, back to work, and provides financial education. We also pledged \$35 million to support military service members and veterans over the next three years, starting in 2013. From the pledge, \$30 million will go to real-estate owned (REO) property and nonprofit donations, and \$5 million will go to hiring and mentoring initiatives, financial education, and philanthropic grants.

In 2012, retired Navy Seal Elliot John Miller of El Cajon, California, who was seriously injured while deployed in Iraq, received the keys to a mortgage-free home, donated by Wells Fargo through the Military Warriors Support Foundation's *Homes 4 Wounded Heroes* program. This property was one of 12 properties donated in 2012 through veteran-oriented nonprofits and one of 1,253 REO properties donated through the REO Donation Program to qualified organizations for neighborhood stabilization efforts.

Financial education

In 2012, 2,834 team members delivered financial education lessons to 153,902 individuals and families through the *Hands on Banking* program, up 37% over 2011. Our *Hands on Banking* program and its Spanish-language equivalent, *El futuro en tus manos*, is a free and fun money management program for all ages. We also distributed more than 31,000 *Hands on Banking* CDs to organizations and schools around the world.

Every year we participate in a variety of financial education programs. The largest campaigns are sponsored by the American Bankers Association: *Teach Children to Save* and *Get Smart About Credit*, which we expand into monthlong campaigns. Each February, we participate in the annual *America Saves* event with the America Savings Education Council. We offer a wide array of online money management tools so people can reach their savings goals. We also participate in *Military Saves*, a Department of Defense-wide financial readiness campaign that encourages military service and family members, as well as the wider military community, to reduce debt and save money.

¹U.S. Department of Veterans Affairs



Idania Remon with Wells Fargo's Jaime Yepes, Tampa, Florida

Revitalizing communities one *neighbor* at a time.

Idania Remon was able to buy a home with the help of a "Lift"—a down payment assistance grant offered through Wells Fargo's *NeighborhoodLIFT*SM program.



more than 1,600

The Wells Fargo *NeighborhoodLIFT* and *CityLIFT*SM programs have already helped more than 1,600 potential homebuyers become homeowners.

Idania Remon of Tampa, Florida, immigrated to the U.S. from Cuba 10 years ago with her husband and two children. She got a job as a machine operator in a sports apparel manufacturing company and began working with Wells Fargo to establish credit. When she was interested in buying a home, she talked to Home Mortgage Consultant Jaime Yepes.

Yepes said, "I really wanted to help, but like many first-time homebuyers, Idania couldn't find a house that she could afford. I told her I would keep in touch if anything came along that could help."

Enter *NeighborhoodLIFT*, a program in which Wells Fargo provides down payment assistance grants, homebuyer assistance and education, and housing counselor support, in collaboration with *NeighborWorks*[®] America and local nonprofits. Through the *NeighborhoodLIFT* program, and its companion program *CityLIFT*, Wells Fargo has committed \$170 million for 20 areas in need of help across the country.

The *NeighborhoodLIFT* program came during the prolonged housing downturn when community leaders told Wells Fargo they needed extra help to turn the corner. The program aids in stabilizing some of the hardest-hit communities. In addition to down payment assistance, every two-day event includes tours of affordable homes, home-buying education for attendees, and the opportunity for one-on-one meetings with Home Mortgage consultants.

When the *NeighborhoodLIFT* program came to Tampa, Yepes invited Remon to attend, and she was approved on the spot for a \$15,000 grant to help buy a home.

"I was ready to buy a home but just needed a bit of help," said Remon. "It would have taken me years to save up the down payment. The *NeighborhoodLIFT* program changed my life."

Product and service responsibility

The most important way we can help our customers succeed is by offering the right financial solutions across all of our consumer and business products, services and advice. We regularly have conversations with customers and stakeholders to make sure we're providing exactly what our customers and communities need.

Financing education

Wells Fargo is the nation's #2 provider of private student loans, and in 2012, we originated \$1.48 billion in private education loans. Our private student loan default rates are significantly lower than the national average, with 98% of Wells Fargo private student loan customers current on their payments at the end of 2012. During 2012, we continued to review, evaluate, and adjust our policies and processes in order to help our student borrowers succeed financially. As part of our borrower education efforts, we take a proactive approach and contact customers during their six-month grace period following graduation to ensure they understand the next steps, their options, and are on a successful track as they enter repayment. In addition, most Wells Fargo loan programs offer a 0.25% interest rate reduction to borrowers who graduate with the Wells Fargo *Student Graduation Benefit*SM program.

We also created and launched WellsFargoCommunity.com, a free online community of students, parents, teachers, guidance counselors, and financial advisors devoted to open dialogue about college planning, selecting majors, and paying for school and housing.

Small businesses

We're proud that Wells Fargo has loaned more money to small businesses in the U.S. than any other bank for 10 years running.¹ We extended \$16 billion in new loan commitments to small businesses across the U.S., primarily with annual revenues less than \$20 million during 2012 — a more than 30% increase from the prior year.

We also approved a record \$1.24 billion in Small Business Administration (SBA) 7(a) loans for small businesses in federal fiscal year 2012,² and have been the No. 1 SBA 7(a) lender in dollar volume for four consecutive years.

We want to help small business owners who don't qualify for traditional loans by offering advice and access to tools and resources they need to improve their business and become better positioned to obtain financing. Over the last decade, we also have invested more than \$250 million in nonprofit microfinance lenders across the country that provide financing to help small businesses get started and grow.

We are the largest provider of equity-like financing to SBA Community Advantage lenders, enabling nonprofit lenders to access the SBA's 7(a) guarantee program, and increase capital available to the small businesses that are driving the economic recovery and creating jobs.

In 1995, Wells Fargo established a national outreach and education program to support women small business owners. Since then, we have loaned more than \$38 billion³ to women-owned businesses. In January 2013, we announced a commitment to lend a total of \$55 billion to women-owned small businesses by 2020, updating our women's lending commitment.

Homeownership

From the beginning of the housing crisis in January 2009, we've remained committed to making credit accessible to consumers. We fund about one of every three home loans in America through our two channels: retail (or direct-to-consumer) and correspondent (through which we fund other lenders who make home loans to consumers). Each of these channels are responsible for about half of our 28.8% U.S. market share. Since January 2009, we have helped nearly 7.5 million homeowners with new low-rate loans to either purchase a home or refinance their existing mortgage. This includes refinancing more than 1.3 million loans through the *Home Affordable Refinance Program*, which offers rate relief to borrowers, including those who owe more on their homes than the home is worth.

In our last CSR report, we committed to lending \$35 billion to borrowers in 10 to 15 cities challenged with foreclosures by 2016. We changed our goal (see page 24) to reflect the outcome of conversations with federal and state government officials who worked with us to define the types of consumer relief that would best benefit neighborhoods in their areas. The lending commitment was adjusted to reflect the outcomes of analysis and discussion, and the company included a focus on down payment assistance that was identified by consumer groups as a necessary component of moving home supply in neighborhoods affected by the housing crisis.

To support this effort we launched the *NeighborhoodLIFT*SM down payment assistance program in February 2012. This program promotes sustainable homeownership and neighborhood stability through a commitment to homebuyer down payment assistance, homebuyer education and support, and access to home financing. In July 2012, as part of our settlement with the Department of Justice (DOJ), we introduced a second initiative modeled after the *NeighborhoodLIFT* program, called *CityLIFT*SM. The Wells Fargo *LIFT* programs are distinct and complementary programs that advance the recovery of cities and neighborhoods most affected by the housing crisis. Through 2016, together

these programs are expected to provide consumers with \$25.6 billion in home loans, and an additional \$170 million in down payment assistance, homebuyer financial education, and support to advance the recovery of neighborhoods.

Our progress in 2012:

- \$25 billion five year mortgage purchase lending across 11 *NeighborhoodLIFT* program cities.
- More than 1,600 new homeowners helped with \$27 million in down payment assistance through 16 Wells Fargo *LIFT* programs.
- 842,322 active trial and completed modifications (January 2009 through December 2012).
- More than 40,000 customers attended a Wells Fargo Home Preservation workshop, with half getting an answer on the spot or shortly after the event.

From the beginning of the housing crisis in January 2009, Wells Fargo has used principal forgiveness — in unique situations where it makes sense — to help homeowners challenged with making their payments. Our commitment to using this payment affordability tool — which is not sanctioned by the government-sponsored enterprises (Fannie Mae, Freddie Mac, Ginnie Mae) — continues for loans owned by Wells Fargo. In 2012, we helped 161,000 customers through \$4.9 billion in immediate principal forgiveness, and \$1.4 billion in forgiveness borrowers can earn through on-time payments over three years.

In 2009 Wells Fargo began hosting large-scale home preservation workshops in areas challenged with foreclosures. Since then, we have held 82 such workshops, and of the more than 40,000 customers who joined us at these events, we offered about half of them an answer on the spot or shortly thereafter. In addition, we've participated in more than 1,100 workshops hosted by nonprofits.

In 2012, the Wells Fargo Home Lending group focused on resolving past issues in order to advance the housing market recovery, with a focus on consumer relief, community stabilization, and the advancement of overall industry practices. These agreements represented an important step toward restoring confidence in mortgage servicing and stability in the housing market. For example:

- In March, Wells Fargo and four other large mortgage servicers finalized the National Mortgage Settlement with state attorneys general, the District of Columbia, and several federal agencies, addressing mortgage servicing, foreclosure and origination issues. The terms included a total \$25 billion financial commitment for expanded refinancing and customer relief programs, and the implementation of comprehensive national servicing standards. Wells Fargo's \$5.3 billion portion of the financial commitment is being used to build on our significant refinance, modification and customer relief efforts. We were a leading voice in the agreement discussions and have since demonstrated strong progress in fulfilling our commitments.
- In July, we announced an agreement with the DOJ to resolve allegations that some Wells Fargo mortgages between 2004 and 2009 may have had a disparate impact on some African American and Hispanic borrowers. These claims primarily related to mortgages sold to consumers by independent brokers. While we denied the claims, we agreed to pay \$125 million to borrowers who the DOJ believes were adversely affected. We also provided \$50 million to fund the *CityLIFT* program. In addition, we

chose to close our Wholesale Mortgage channel through which we previously enabled independent brokers to sell Wells Fargo home loans.

- In 2011, Wells Fargo and 13 other large servicers signed Consent Orders with their regulators related to foreclosure practices. Throughout the past year, we have put full attention into meeting our commitments compliantly and on-time. In January 2013, we also fulfilled all requirements under Article VII via an agreement Wells Fargo and 10 other servicers signed with the Office of the Comptroller of the Currency (OCC) and the Federal Reserve Bank (FRB) to end the Independent Foreclosure Review programs. Our \$766 million portion of the cash settlement was based on the proportionate share of Wells Fargo-serviced loans in the overall population of customers who underwent foreclosures in 2009 and 2010. We also committed \$1.2 billion to foreclosure prevention actions.

Credit

To help customers know where their credit stands and how to better manage it, in 2012 we provided them with the opportunity to access their free credit score and complimentary credit report. During the six-week promotion, more than 280,000 customers checked their credit scores and credit reports, and many chose to meet with a banker to discuss their credit situation.

Serving all our communities

As part of a pilot program, in March 2012 we began offering a reloadable Well Fargo Prepaid Card only available online. The card is an alternative to carrying cash that can help customers manage their spending. There are no overdraft fees because we limit purchases to the funds in the account. Customers can use their card to make everyday purchases (including cash back) and pay bills at participating retailers and service providers, plus get cash at ATMs worldwide.

In 2012, we expanded our *ExpressSend*[®] remittance payout locations with seven additional financial institutions in six countries, including: The Dominican Republic, Ecuador, El Salvador, Mexico, Nicaragua and Peru. We also doubled our locations in India to more than 5,200 branches and 16,000 ATMs. We added 8,200 payout locations, and customers sent billions of dollars to families and friends. In December 2012, we were named a #1 remittance provider by a study released from the Inter-American Dialogue, the leading U.S. center for policy analysis, communication, and exchange on Western Hemisphere affairs.

In 2012, we introduced *A guide to your common checking account fees*, available in English and Spanish, which provides clear definitions of key terms and price points associated with checking accounts. Wells Fargo was the first financial institution to provide this material in Spanish.

Customer service

We take customer feedback and complaints seriously, as we are always working to develop new approaches to better serve our customers and communities. We conduct surveys across all of our businesses to measure our customers' experience with the various Wells Fargo touch points. We're committed to providing timely responses to customer complaints, and take prompt corrective action if we have made an error. Today we receive about 10,000 complaints every quarter on a variety of topics, and in 2012 we took steps to consolidate complaints from multiple sources to help us better understand and respond to emerging issues.

¹Based on 2002–2011 Community Reinvestment Act government data for small business loans less than \$100,000, and loans less than \$1 million.

²October 2011 – September 2012

³January 1995 – March 2012



Helping customers and *communities* weather the storm.

Where do people go after disasters like Superstorm Sandy? Banks are at the top of the list. Our customers come to get cash and check on their financial position. And we make sure our team members are there to listen and help get their lives back on track.



\$2.3 million

donated to the American Red Cross and other nonprofits, through corporate giving and customer donations, to aid community disaster relief efforts and rebuild.

In the aftermath of Superstorm Sandy, team members like Linnette Shaver-Johnson of Somers Point, New Jersey, put their community first and pulled out all the stops to make sure stores were open for business. District Manager Shaver-Johnson had no electricity at home, but traveled to all 13 stores in her area — ground zero for the hurricane — within 24 hours.

Hundreds of Wells Fargo team members, some dealing with damage to their own homes and neighborhoods, battled traffic, long gas lines and fallen trees to reopen stores. They worked tirelessly to help storm-battered communities begin the long process of rebuilding.

“My number one priority was the safety and well-being of my team members. I wanted to check on each one to make sure they had the resources they needed to care for customers,” said Shaver-Johnson.

Thanks to Wells Fargo’s business continuity and disaster recovery plans, and our Regional Banking Incident Response Team, customers received immediate help. These plans protect team members and keep our business running when disasters occur. For example, a customer who had a 50 foot tree crash through her roof got an immediate line of credit for repairs while waiting for the insurance proceeds.

Wells Fargo was one of the first companies to donate \$1 million to the American Red Cross and local nonprofits to support relief and recovery efforts in the affected areas. We also waived certain fees, and through Wells Fargo ATMs raised \$1.3 million in customer donations to the American Red Cross.

Ethical business practices

At Wells Fargo, trust means maintaining the highest ethical standards, and in many cases, going beyond the requirements and above industry standards. That's how we earn the trust of our customers, communities and shareholders. We constantly monitor and refine our business and risk management practices, and ensure we perform ethically and with integrity.

Business policies and practices

In 2012, we updated *The Vision & Values* — the 14th edition of the booklet that describes the company's strategy, goals, culture and principles. Published since 1992, *The Vision & Values* gives all team members a sense of shared responsibility in how we help our customers and communities succeed financially. All team members receive a copy of the booklet, which is posted on our website for stakeholders.

All team members are required to comply with Wells Fargo's *Code of Ethics and Business Conduct*, which is regularly updated to reflect the current business environment and best practices. In 2012, no significant updates were made and 99.96% of eligible team members completed the annual training and recertified their compliance and understanding with the Code.

In May 2012, Wells Fargo named Yvette Hollingsworth its chief compliance officer. She provides independent oversight and ensures that all areas of the company meet compliance management responsibilities and abides by all applicable laws and regulations.

Product and service risk management

With constant change in business and regulatory requirements, we have made continuous improvements in our product risk management practices to improve our ability to continue providing customers with products that are sound and help them to meet their financial needs.

In 2012, we published a new Product and Service Risk Management Policy and established a standardized risk assessment and rating system for all of our products and services across the enterprise. The process includes a consistent rating methodology to ensure comparability of risk, including credit, market, operational and reputation risks, across all new, modified or retiring products and services. A task force was created with representatives from each risk discipline to ensure that new and modified products are effectively assessed and approved at the appropriate levels of the company. The group will develop guidelines for the businesses to use in assessing their product and service risk, and will report on the state of the company's product and service risk management to the Enterprise Risk Management Committee. In addition, a new online corporate-wide tool is being introduced that allows systematic logging and tracking of product risk assessments and approvals.

Supply chain management

At Wells Fargo we strategically collaborate with a wide array of suppliers worldwide to help us deliver our products and services. We encourage the same high standards from our suppliers, and their suppliers, that we practice every day with regard to ethics, labor standards, health and safety, and the environment.

In 2012, we continued to improve our sustainability practices throughout our supply chain, including a cross-functional committee to review our practices as they relate to industry standards, and provide ongoing engagement with internal and external stakeholders to gather feedback. Based on these insights, we more formally integrated social responsibility factors such as environmental impacts and supplier diversity into our business practices. In addition, we are working with a diverse group of stakeholders within the organization to develop a new Supplier Code of Conduct for publication in 2013. It will articulate the basic principles for supplier conduct when working with Wells Fargo.

Supplier diversity

In 2012, we spent 7% of our total controllable spending with certified diverse-owned business enterprises, equivalent to our 2011 percentage. We helped diverse businesses learn and grow by partnering with approximately 1,400 diverse suppliers and students through our Leaders of Change supplier development and emerging entrepreneur outreach initiatives. We received numerous awards for our supplier diversity program, including accolades from the U.S. Hispanic Chamber of Commerce and the Urban League of Greater Atlanta.

During 2012, we changed how we measure our supplier diversity spending results to align with industry best practices and more accurately reflect our progress. We moved from a dollar-based goal of \$1 billion annually to a goal of spending 10% of our controllable supplier costs with certified diverse-owned businesses. We also added small business as a diverse segment to our Supplier Diversity programs.

Human rights

As a company with more than 265,000 team members in the U.S. and in offices in more than 35 countries, and thousands of community partnerships and vendor relationships, we recognize the fundamental importance of respecting the

human rights of all people. We're focused on ensuring that all of our human resources practices and external interactions are conducted in a way that is respectful of human rights. In 2012, we formed a working group to conduct industry benchmarking and to review international principles aimed at respecting human rights. Based on this work, we are on track to develop a formal human rights statement in 2013.

Managing environmental and social risks

We continually have conversations with our stakeholders to better understand their concerns about the environmental and social risks associated with our business lending and investments. We share these concerns and manage risks through established policies such as our *Environmental and Social Risk Management* approach. We have procedures in place to help ensure we're doing business with responsible companies. In 2012, we created a Wholesale Reputation Risk Council made up of senior business leaders who assess, monitor and manage environmental and social reputational risks in our Wholesale business.

We are committed to following industry best practices for managing environmental and social risk. We follow the Carbon Principles, which address financing of new electric power projects and coal-fired power plants in the U.S. We also support the Equator Principles, which apply to "project finance." (Wells Fargo does not engage in "project finance" of this type but does support the Equator Principles as an Associate member.) To better understand environmental and social risk management challenges and opportunities, we participated in several working groups related to Equator Principles III and we also tested an early version of the World Resources Institute's Sustainability Strengths, Weaknesses, Opportunities and Threats (sSWOT) tool.

ENVIRONMENTALLY AND SOCIALLY RESPONSIBLE LENDING ACTIVITIES	2010	2011	2012
Number of projects financed requiring application of the Equator Principles	0	0	0
Tons of greenhouse gas emissions from project finance	0	0	0
Number of transactions requiring application of the Carbon Principles	1	0	0
Percentage of applicable transactions reviewed through Environmental and Social Risk Management process	Not tracked	100%	100%

Corporate governance

Our board of directors provides independent oversight of Wells Fargo's business and risk management practices, and includes a Corporate Responsibility Committee. Stephen W. Sanger, previously chairman, CEO and director of General Mills Inc., succeeded Philip J. Quigley as the board's lead director in January 2012. The board recently added a new member with the election of Howard V. "Rick" Richardson, a retired partner of PricewaterhouseCoopers LLP, who officially became a director on January 1, 2013. With the exception of Chairman and CEO John Stumpf, all directors are independent under company and New York Stock Exchange rules.

During 2012, the board strengthened its stock-based compensation policy. To emphasize the relationship between the interest of our directors and executive officers with the interest of shareholders, we require non-employee directors and executive officers to own shares of our common stock. After five years on the board, each non-employee director must own stock having a value equal to five times the annual cash retainer we pay them. In 2012, the board reinforced this policy by requiring that directors maintain that ownership level until one year after service as a director terminates.

More information about corporate governance at Wells Fargo is contained in our *2012 Proxy statement* and at wellsfargo.com/about/corporate/corporate_governance.

Advocacy and political contributions

Wells Fargo engages in public policy advocacy on issues that impact our business at the local, state and federal levels. We believe that active participation in the legislative process is an important part of responsible corporate citizenship.

Wells Fargo's policy prohibits the use of corporate funds for any candidate funds, including candidate campaign committees, political parties, caucuses, or independent expenditure committees. Our employee Political Action Committees (PACs), funded entirely through voluntary contributions by team members, contribute to candidates for local, state, and federal offices. During the 2011-12 election cycle Wells Fargo PACs contributed approximately \$1,709,300 to 1,325 candidates.

For the second year in a row, Wells Fargo ranked in the top tier of S&P companies in the Center for Political Accountability/Zicklin *Index of Corporate Political Accountability and Disclosure* report for disclosure, policies, compliance, and oversight of corporate political spending programs.

The Vision & Values gives all team members a sense of shared responsibility in how we help our customers and communities succeed financially.



99.96%

of eligible team members completed the Code of Ethics and Business Conduct annual training



Wells Fargo's Greg Mays (right) and Andrew Barnes, Raleigh, North Carolina

Helping military *heroes* get back to work.

Finding a good job is never easy. But it's even tougher on military veterans who need to adapt to the culture and job searching techniques of the civilian world. We make it easier for veterans, helping them translate their expertise into appealing skills, connecting them with educational and career opportunities, and recruiting them for Wells Fargo jobs.



7,000

Wells Fargo employs nearly 7,000 military veterans and reservists, and 263 of them are currently deployed.

Greg Mays thought living in a submarine for 95 days straight would be his biggest challenge in life, until he returned to civilian life. Despite a master's degree in business management and a highly technical naval career as a nuclear machinist, Mays delivered mail on Saturdays and worked two other part-time jobs to make ends meet. "I needed a new career, and just wanted someone to give me an opportunity," said the husband and father.

Wells Fargo recruiter Andrew Barnes — himself a veteran of the U.S. Navy Reserves — met Mays in Raleigh, North Carolina, at a U.S. Chamber of Commerce Hiring our Heroes job fair, and was immediately impressed. The two kept in touch for several months, and when a full-time consumer loan underwriter position opened, Barnes helped Mays prepare for the interview process, coaching him on what to expect and how to translate his military skills into those appropriate for a financial services position. Now Mays, a top performer at Wells Fargo, and Barnes, serve in leadership positions with Wells Fargo's Veterans Team Member Network.

Wells Fargo's three-year, \$35 million commitment to support military service members and veterans includes initiatives aimed at hiring and mentoring. In 2012, we donated \$2 million to nonprofits that help veterans get into homes and transition into the workforce.

We participated in more than 25 job fairs and formed alliances with *American Corporate Partners*, *100,000 Jobs Mission*, and *Military Spouse Employment Partnership* to help mentor and hire veterans and military spouses. In addition, we launched [Military Crosswalk software](#), which helps veterans translate their Military Occupation Codes into available job openings with the company (see pages 22–23).

Team member engagement

Team members are our most important stakeholders simply because they're the single most important influence on our customers. That's why we offer an environment that inspires team members to excel and share ideas. We survey them each year to learn how we can improve their work environment. The result: our ratio of engaged to actively disengaged team members is 5 to 1, compared to the national average of 1.5 to 1.¹

Career development and training

We're committed to creating a learning culture that allows team members to maximize their potential. In 2012, we invested 3% of payroll dollars into team member training.

Each year team members discuss their professional goals with their managers, and then create an individual plan to support their career development. We also provide team members with guidance and tools so they can take charge of their own development.

In 2012, 46% of all job placements were internal candidates. That's because we believe in promoting internal job placements before extending offers to external candidates. This strategy not only allows for career development, it also supports our retention strategy.

Another program that supports retention is our Executive Mentoring Program, which pairs senior leaders with high-performing talent from different business groups for an 18-month mentoring relationship. As team members get the chance to learn about other businesses, we create a leadership pipeline for the future. Approximately 200 mentees have participated in the program since its inception in 2011, and participant feedback has been positive.

We also hire undergraduate and graduate students of all majors and backgrounds for development programs. Through our 2012 Corporate Summer Internship Program, more than 250 interns were placed in various jobs across the U.S.

We've placed more than 5,300 team members in positions through our Short-Term Assignment Resource (STAR) program since its launch in 2009. STAR provides displaced team members with short-term assignments while they look for regular positions, which provides opportunities to work in different groups, gain new experiences and network throughout the company.

Workforce diversity and inclusion

We have more than 265,000 team members around the globe, with the majority of team members located in the U.S. (38% ethnically/racially diverse and 59% women). We focus on attracting, developing and retaining the best qualified, most diverse group of team members, and hold ourselves accountable for measurable, sustainable results.

In 2012, we established a framework for diversity and inclusion to align our activities across the enterprise in a common direction. We also established goals in three key areas: marketplace outcomes, team member outcomes and regulatory, reputation building and advocacy activities. To create accountability and measure progress in these three areas, we implemented a diversity scorecard linked to incentive compensation plans for the CEO and his direct reports.

We also evolved our Enterprise Diversity and Inclusion Council to include more senior executives from across the organization and expanded the Council's responsibilities and level of accountability. The Council continues to be chaired by the CEO, and is responsible for setting direction, aligning our diversity and inclusion efforts, and implementing supporting infrastructure and measurements to drive results across the company.

Our expanded suite of diversity and inclusion training courses helps team members understand the business case for diversity. The courses allow them to gain diversity self-awareness and practice job-specific diversity and inclusion skills. More than 135,000 team members completed at least one diversity course in 2012. Additionally, we have a Diverse Leaders Program that focuses on developing Asian and Pacific Islander, Black/African American, Latino, and LGBT team members.

In 2012, we celebrated 25 years of support for LGBT team members, customers, and communities. Since 1987, when we first added sexual orientation to our nondiscrimination policy, we've contributed more than \$20 million to LGBT organizations nationwide, providing support for financial education, pride events, anti-bullying initiatives and more. Our LGBT Team Member Network, PRIDE, also celebrated its 20th anniversary.

We actively seek to recruit diverse candidates across all levels of our business and have expanded our diversity recruitment alliances to include military veterans and people with disabilities. In 2012, we formed alliances with American Corporate Partners, 100,000 Jobs Mission, *Hero 2 Hired*, *America Wants You*, and *Military Spouse Employment Partnership* to help mentor and hire veterans and military spouses.

1.5 million hours

volunteered by 57,000 team members in their local communities

26%

of our team members participate in one of the company's Team Member Networks, Green Teams or Volunteer Chapters

31%

Board of Directors: 31% women; 31% ethnically/racially diverse

We participated in more than 25 job fairs, the U.S. Army Career and Alumni Program, and more than a dozen virtual and real-time career fairs. In addition, with the help of the company's Veterans' Team Member Network, we launched [Military Crosswalk software](#), which helps veterans translate their Military Occupation Codes into available job openings within the company.

Our self-identification system now broadens our internal definition of veterans beyond the current federal reporting classifications. It now includes team members who served honorably in the U.S. Armed Forces in any capacity. As a result, we expanded the eligibility for our annual voluntary Veteran and Disabled Team Member Outreach Program, which provides confidential, one-on-one career consultation and other support.

Benefits and compensation

The total compensation package at Wells Fargo goes well beyond base pay. In 2012, for the fourth consecutive year, the board of directors approved a profit-sharing contribution in recognition of our outstanding business results. Eligible team members received a contribution of 2% of pay to their 401(k) accounts totaling approximately \$300 million.

We also provide a range of benefits and programs to help team members balance their lives and further their professional development. Our time away policies provide a variety of options to accommodate diverse needs and life events such as illness, caring for a family member, vacation, volunteering, the birth or adoption of a child, the loss of a family member, and others. These options include paid time off, community service time, and bereavement time as well as volunteer and family leaves.

Further, Wells Fargo supports a range of flexible work arrangements including flexible work hours, telecommuting, part-time hours, and job sharing for eligible team members. In addition we offer onsite childcare in some locations, and backup child care at more than 500 care centers nationwide. We also provide onsite fitness and recreation in some locations.

In 2012 our tuition reimbursement program helped more than 8,000 eligible team members subsidize their education costs toward career-related classes and degrees totaling \$25 million. We also provided more than 1,600 team members with reimbursement for *Weight Watchers*® programs, totaling

\$119,000. We also offer adoption reimbursement of up to \$5,000 per child, and reimbursed hundreds of eligible team members for a total of \$476,000 in adoption expenses.

Health and wellness

Our voluntary, confidential and subsidized wellness programs help team members meet their health and well-being goals in the areas of weight management, smoking-cessation, disease management, well-being coaching and more. We also help them better understand health risks and pay for eligible medical expenses. In 2012, more than 145,000 team members — and their enrolled spouses or domestic partners — completed health assessments and more than 265,000 online health education courses. This earned them health and wellness dollars for their health savings or health reimbursement accounts. In addition, more than 94,000 team members completed biometric screenings, earning them health and wellness dollars for their health savings or health reimbursement accounts.

Our comprehensive benefits include medical, dental, vision, life and accident insurance, disability, long-term care and flexible spending accounts. Ninety-nine percent of our team members (including some retired team members) are eligible for coverage; 86% chose to enroll in our plans.

LGBT team members and their families receive equal benefits. Beginning in 2013, we will also offer a tax offset for team members who cover a same-sex spouse or same-sex domestic partner in a medical, dental, or vision plan. This helps to absorb some of the federal tax costs for this coverage.

Team member giving and volunteerism

We encourage team members to contribute to causes of their choice, often lending their talent to local communities. Eligible team members receive two days of paid time off each year for volunteering. In 2012, 57,000 team members volunteered more than 1.5 million hours in their communities, an increase of nearly 4,600 volunteers from 2011. This represents \$32.7 million in volunteer time.²

More than 38,600 team members actively participate in one of the 82 volunteer chapters in 32 states, and have expanded into three countries. These grass-roots community-involvement networks organize local volunteer activities.

We offer volunteer opportunities through partnerships with nonprofits like Reading First, where team members read to pre-kindergarten- through-second-grade classrooms and donate books. Team members visited 6,500 classrooms in 2012 and donated 65,000 books.

In 2012, we awarded \$395,000 in Volunteer Service Awards grants to recognize the volunteer efforts of 235 team members. The grants were awarded to the nonprofits where team members demonstrated outstanding leadership in volunteerism. We also awarded 21 team members a combined 35 months in fully-paid volunteer leaves through our Volunteer Leave Awards program.

Through the 2012 Community Support Campaign, team member giving increased to \$79 million to 28,000 nonprofit organizations and schools, a 23% increase in giving from 2011. This marks the 10th consecutive year that team members increased pledge totals by double digits.

¹Gallup, 2012

²Calculation based on the value of one volunteer hour (\$21.79) according to Independent Sector, a U.S. coalition of 550 philanthropic organizations in April 2012

2012 progress report

GOAL	TARGET DATE	FY2012 PROGRESS	FY2012 DETAILS
Environmental sustainability¹			
Provide environmentally-focused nonprofits with \$100 million in grants and increased volunteerism.	2020	New goal	<ul style="list-style-type: none"> \$8 million in grants to nearly 400 environmental nonprofits, up 80% from 2011. Launched the Clean Technology and Innovation and Environmental Solutions for Communities grant programs.
Provide \$1 billion in financing to environmental initiatives in low- to moderate-income communities.	2020	New goal	<ul style="list-style-type: none"> Team members helped build or renovate 363 homes for low- to moderate-income homeowners meeting "greener" building standards, and donated more than \$4.7 million toward the work on these homes to affordable housing nonprofits through the Wells Fargo Housing Foundation's Team Member Volunteer Program.
Invest \$30 billion in environmentally sustainable businesses.	2020	On track	<ul style="list-style-type: none"> \$6 billion in environmental loans and investments. Since 2005, Wells Fargo has provided more than \$20 billion in capital to "greener" buildings, "greener" businesses, and renewable energy projects.
Increase customer education and engagement on cost-saving environmental opportunities.	2020	New goal	<ul style="list-style-type: none"> 12% of receipt-eligible ATM transactions result in an e-receipt, with more than 100 million e-receipts sent to date. All retail banking stores accept paperless withdrawals, eliminating paper waste for those transactions. 88% of withdrawals now use this electronic option.
Enhance our Environmental Management System (EMS) and strategy to comprehensively track, measure, and reduce our environmental footprint.	Ongoing	On track	<ul style="list-style-type: none"> Implemented automated greenhouse gas emissions tracking and measurement tool and expanded scope to include all facilities leased and owned worldwide.
Foster a culture of sustainability by increasing team member environmental stewardship in our communities and at work.	2020	New goal	<ul style="list-style-type: none"> 7,000 team members participate in 70 Wells Fargo Green teams, up 30% over 2011.
Increase the efficiency and environmental performance of our operations by reducing our total greenhouse gas emissions by 35% and meeting other targets (see pages 7-8).	2020	On track	<ul style="list-style-type: none"> -18% reduction in greenhouse gas emissions since 2008. 18% increase in energy efficiency. 5% increase in the number of LEED® buildings. Recognized by Carbon Disclosure Projects for leadership in reducing greenhouse gas emissions.
Community investment			
Invest and lend a total of \$15 billion in community development projects.	2016	On track	<ul style="list-style-type: none"> \$7 billion in community development loans and investments in projects that support affordable housing, community services, and economic development, up 94% over 2011.
Deliver financial education to a total of 300,000 people.	2014	On track	<ul style="list-style-type: none"> 153,902 individuals and families received financial education through a <i>Hands on Banking</i>® workshop. More than 2,834 team members presented financial education to students and parents during the <i>Teach Children to Save</i> and <i>Get Smart About Credit</i> campaigns.
Provide \$35 million to support military service members and veterans. This includes \$30 million in real-estate owned (REO) property and nonprofit donations and \$5 million for hiring and mentoring initiatives, financial education, and philanthropic grants. ²	2015	New goal	<ul style="list-style-type: none"> Hired more than 700 military veterans in 2012, for a total of more than 7,000 team members who are veterans. Launched Military Crosswalk software to help veterans translate their Military Occupation Codes (MOC) into available job openings within Wells Fargo.
Overall corporate giving will total \$1 billion. ³	2017	On track/modified goal	<ul style="list-style-type: none"> \$315.8 million invested in 19,500 nonprofits and schools, up 48% over 2011. \$13.7 million to support national nonprofit partnerships, including the U.S. Hispanic Chamber of Commerce, United Negro College Fund, Teach for America, and the Asian Pacific American Islander Scholarship Fund.

GOAL	TARGET DATE	FY2012 PROGRESS	FY2012 DETAILS
Product and service responsibility			
Lend \$25.6 billion and provide \$170 million in down payment assistance, homebuyer financial education and support to advance the recovery of neighborhoods through Wells Fargo's <i>NeighborhoodLIFT</i> ™ and <i>CityLIFT</i> ™ programs. ⁴	2016	On track/modified goal	<ul style="list-style-type: none"> \$25 billion five year mortgage purchase lending across 11 <i>NeighborhoodLIFT</i> program cities. More than 1,600 new homeowners helped with \$27 million in down payment assistance through 16 Wells Fargo <i>LIFT</i> programs. 842,322 active trial and completed modifications (January 2009 through December 2012). More than 40,000 customers attended a Wells Fargo Home Preservation workshop with half getting an answer on the spot or shortly after the event.
Provide a total of \$7 billion in principal forgiveness to help financially challenged borrowers in unique markets who live in a home worth less than what is owed on their Wells Fargo-owned loan. ⁵	2014	On track	<ul style="list-style-type: none"> Helped 161,000 customers through: <ul style="list-style-type: none"> \$4.9 billion in immediate principal forgiveness \$1.4 billion in forgiveness borrowers can earn through on-time payments over 3 years
Lend \$55 billion to women-owned businesses. ⁶	2020	On track/modified goal	<ul style="list-style-type: none"> \$38 billion⁷ in new loan commitments to women-owned businesses since 1995.
Ethical business practices			
Develop a human rights statement.	2013	On track	<ul style="list-style-type: none"> Formed a working group that is conducting industry benchmarking and reviewing Wells Fargo policies and international principles aimed at promoting and protecting human rights.
Enhance our ethical and sustainable supply chain practices, integrating social responsibility factors while deploying a new Supplier Code of Conduct.	2012	Behind	<ul style="list-style-type: none"> Formed a cross-functional committee to review Wells Fargo practices as they relate to industry standards and engage stakeholders. Integrated social responsibility factors into our business practices and plan to publish a Supplier Code of Conduct in 2013.
Achieve 10% of Wells Fargo's total controllable procurement spending annually with certified diverse-owned business enterprises. ⁸	Ongoing	On track/modified goal	<ul style="list-style-type: none"> Spent 7% with certified diverse suppliers. Partnered and supported approximately 1,400 diverse suppliers and students through our Leaders of Change supplier development and emerging entrepreneur outreach initiatives.
Team member engagement			
Create and sustain a diverse and inclusive culture that will strengthen our competitive advantage in the marketplace by making progress in three key areas: business outcomes, team member outcomes, and advocacy activities. ⁹	Ongoing	On track	<ul style="list-style-type: none"> We established a framework for diversity and inclusion to align our activities across the enterprise in a common direction. Spent 7% of controllable spend with certified diverse suppliers. 38% of team members are ethnically/racially diverse; 59% are women.
Mobilize our team members to contribute a total of 6 million hours of community service. ¹⁰	2014	Ahead	<ul style="list-style-type: none"> 1.5 million hours volunteered. 57,036 team members reported community involvement and volunteer hours, an 8.2% increase from 2011.

¹ In April 2012, we released a new environmental commitment with a comprehensive set of goals and metrics that we can measure progress against through 2020.

² New three-year goal announced in November 2012. See page 11 for more information.

³ Previously stated goal revised to reflect our increasing commitment to supporting national and community-based nonprofits. See page 10 for more information.

⁴ This goal was changed to reflect our new focus on down payment assistance. See pages 14-15 for more information.

⁵ Includes total in principal forgiveness that Wells Fargo has extended since January 2009. See pages 14-15 for more information.

⁶ Updated commitment announced in January 2013. See page 14 for more information.

⁷ January 1995 - March 2012

⁸ In 2012, we changed the way we measure our spending with diverse suppliers from a dollar amount of \$1 billion annually to a percentage of overall spending. See page 18 for more information.

⁹ We revised our previously stated goal to reflect our evolving vision and business strategy for diversity and inclusion. See pages 22-23 for more information.

¹⁰ Includes total annual volunteer hours starting in 2010.



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Our Vision:

Satisfy all our customers' financial needs and help them succeed financially.

Nuestra Vision:

Deseamos satisfacer todas las necesidades financieras de nuestros clientes y ayudarlos a tener éxito en el área financiera.

我們的目標：

滿足客戶在財務方面的所有需求，幫助他們在財務上發展成功。

Notre Vision:

Satisfaire tous les besoins financiers de nos clients et les aider à atteindre le succès financier.

Together we'll go far

