

Resolved:

Shareholders request the Board of Directors oversee the preparation of an annual public report describing and quantifying the effectiveness and outcomes of Wells Fargo's efforts to prevent harassment and discrimination against its protected classes of employees. In its discretion, the Board may wish to consider including disclosures such as:

- the total number and aggregate dollar amount of disputes settled by the company related to abuse, harassment or discrimination in the previous three years;
- the total number of pending harassment or discrimination complaints the company is seeking to resolve through internal processes, arbitration or litigation;
- the aggregate dollar amount associated with the enforcement of arbitration clauses;
- the number of enforceable contracts which include concealment clauses that restrict discussions of harassment or discrimination, and
- the aggregate dollar amount associated with agreements which contain concealment clauses.

Concealment clauses are defined as any employment or post-employment agreement, such as arbitration, non-disclosure or non-disparagement agreements, that the Company asks employees to sign which would limit their ability to discuss unlawful acts in the workplace, including harassment and discrimination.

This report should not include the names of accusers or details of their settlements without their consent and should be prepared at a reasonable cost and omit any information that is proprietary, privileged, or violative of contractual obligations

Supporting Statement

Persistent controversies have surrounded Wells Fargo's workforce management, so it is not a surprise that at last year's shareholder meeting well over half of the votes cast were FOR this resolution. Wells Fargo's hiring practices came under scrutiny when it was reported that the Company conducted interviews of diverse candidates for positions that had already been filled, and subsequently retaliated against employees that complained about the sham interviews. It has also been reported that the United States Attorney in the Southern District of New York's criminal division is investigating possible violations of federal laws based on this reporting.

The Securities Exchange Commission has shown increased attention to human capital management issues, as demonstrated by its 2020 rulemaking and the Chairman's public comments about future, more proscriptive disclosure rulemaking. There have been several high-profile derivative suits settled recently, including at Twentieth Century Fox, Wynn Resorts, and Alphabet, alleging boards breached their duties by failing to protect employees from discrimination and harassment, injuring the companies and their shareholders.

A public report such as the one requested would assist shareholders in assessing whether the Company is improving its workforce management. Civil rights violations within the workplace can result in substantial costs to companies, including fines and penalties, legal costs, costs

related to absenteeism, and reduced productivity. A company's failure to properly manage its workforce can have significant ramifications, making it more difficult to retain and recruit employees, and jeopardize relationships with customers and other partners.