

Tracy Curtis, EVP
Oregon Region President
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Portland, OR 97201

WELLS
FARGO

August 16, 2016

Socially Responsible Investments Committee
c/o Janet Storm
City of Portland
1120 SW Fifth Ave., Suite 1250
Portland, Oregon 97204-1912

Dear Socially Responsible Investments Committee Members:

Our commitment to Portland and its residents is as strong today as it was when we first started doing business in this city in 1852. I also want to assure you that Wells Fargo's commitment is to serve all our customers, contribute to the economic success of our communities and provide an open and inclusive work environment.

We understand that at committee meetings in late 2015 and earlier this year, a number of inaccurate and misleading claims about Wells Fargo were presented during discussions related to the City's Corporate Securities Do-Not-Buy list. I would like to take this opportunity to set the record straight on those issues and to make it clear that we embrace our responsibility to be a leading corporate citizen – socially, economically, and environmentally.

Mortgage Lending and Homeownership Preservation

Wells Fargo is the nation's leading originator and servicer of residential mortgages, offering home loans through the largest network of mortgage locations and bank branches, online, and via phone. In 2015—the most recent year for which comparative Home Mortgage Disclosure Act data is available—***we were the No. 1 originator overall, and in lending to all racial and ethnic groups, and in lower-income neighborhoods.***

Since February 2012, our LIFT programs have helped create nearly 11,850 homeowners in 45 communities (including 259 in Portland) by providing them free down payment assistance grants.

We have long practiced and advocated responsible lending and servicing practices. Because of that commitment, the product choices we have made, our disciplined underwriting, and the manner in which we approach foreclosure prevention, ***our mortgage delinquency and foreclosure rates, over time, continue to be less than the industry average.*** When our customers do encounter financial hardships and face challenges with making their mortgage payments, we work hard to help them stay in their homes through modifications, principal reduction, and other Wells Fargo and government-sponsored programs. Since the beginning of 2009 we have helped customers stay in their homes through more than 1 million mortgage modifications and, ***when customers choose to work with us, we help 8 of 10 avoid foreclosure.***

Student Lending

Wells Fargo recognizes that paying for an education is one of the most critical financial events for students and families. We encourage prospective college students to look at all of their education financing options (including federal loans, grants, and scholarships), borrow only what they need, and make careful comparisons among all of

Together we'll go far



their choices. Since 1968 Wells Fargo has helped millions of students in need of additional financing to cover the cost of college and today remains the only large American bank to provide private student loans.

Prudent underwriting and providing quality timely information, transparency, and financial education for each customer means that **98 percent of our private student loan customers are current with their loan payments**. This high level of repayment continues to remain a hallmark of the private student loan marketplace and differentiator from the federal student loan marketplace. If our private student loan customers encounter financial challenges, we have available a program that may allow them to lower their monthly payments through temporary or permanent interest rate reductions and/or term extensions through our Private Student Loan Modification Program.

Private Prisons

I would also like to make it clear that Wells Fargo does not own any shares of either the GEO Group or Corrections Corporation of America as some have inaccurately claimed. In addition, we have no seat on either company's board of directors, and we do not dictate their policies or business models.

Wells Fargo Funds, which are owned by the funds' investors, not Wells Fargo, currently holds a very small position in the companies in a passive index fund. SEC filings can make it appear that Wells Fargo is the owner, but we are not. Moreover, Federal laws and internal governance do not allow the bank to dictate which stocks the fund managers may buy or sell. In addition, the holdings of the mutual funds are segregated from Wells Fargo's own assets in accordance with applicable laws.

- For further clarification, a passive fund is designed to mimic a specific market index. The most recognizable types of index funds are Dow 30 funds and S&P 500 funds. The stocks that make up these indices are determined by Dow Jones and Standard & Poor's, respectively. It is a common industry practice for fund managers to own precisely what Dow Jones or S&P has chosen to make up these indices.

Local Community, Small Business and Diversity Initiatives

Wells Fargo is proud to have been a part of the Portland community for more than 164 years and of our longstanding support for its many diverse and vibrant elements.

- Last year Wells Fargo contributed more than \$3.4 million to more than 425 Oregon and Southwest Washington nonprofit organizations, and our team members in this region volunteered 53,269 hours and also donated and pledged \$2,348,418 of their own funds to schools and other community nonprofits.
- We provided almost \$75 million in financing to Home Forward to preserve 654 units of affordable housing and \$300,000 to Blanchet House to build 30 tiny houses for the homeless.
- On the small business front, a \$250,000 grant and \$125,000 loan to Albina Opportunities Corp. will bolster its loan program for underserved minority- and women-owned small businesses in the four-county Portland metro area.
- We have loaned more money to America's small businesses than any other bank for 13 consecutive years. Our goal is to provide \$100 billion in new loans to small businesses by 2018.
- *Diversity Inc.* named Wells Fargo the top-ranked bank in America for diversity this year and we again earned a 100 percent on the Corporate Equality Index by the Human Rights Campaign Foundation. The foundation named Wells Fargo one of the Best Places to Work for LGBT Equality.

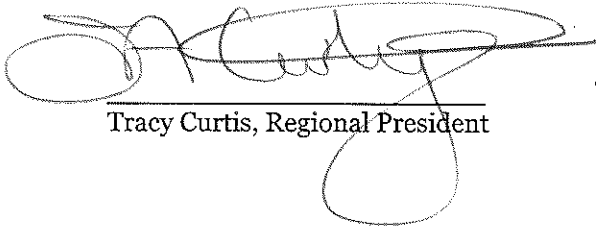
- In Portland, we served to foster a culture of diversity and inclusion as the lead sponsor of the Good in the Hood multicultural festival, the Juneteenth celebration, and the Chinese American History Exhibit Event at the Oregon Historical Society.

Due to all of the above and to our many other efforts to help our communities and customers, *The Banker* magazine named Wells Fargo the best bank in the world last year, based on our financial strength, culture and leadership.

Our commitment to the community and the City of Portland is proven and remains firm.

I would appreciate the opportunity to meet with you either in person or by phone to continue this conversation or answer any questions you may have. I can be reached at (503) 886-1400.

Sincerely,

A handwritten signature in black ink, appearing to read "Tracy Curtis", written over a horizontal line. The signature is stylized and cursive.

Tracy Curtis, Regional President