

Statement on climate change

Wells Fargo recognizes the growing concerns related to climate change. The evidence and analysis presented by the Intergovernmental Panel on Climate Change's Fifth Assessment Report determined that:

"Warming of the climate system is unequivocal, and since the 1950s, many of the observed changes are unprecedented over decades to millennia. The atmosphere and ocean have warmed, the amounts of snow and ice have diminished, and sea level has risen.¹"

Other multi-country and United States agencies are emphasizing the need for action now. The U.S. Department of Defense stated in the Report on National Security Implications of Climate-Related Risks and a Changing Climate that:

"Climate change is a security risk because it degrades living conditions, human security, and the ability of governments to meet the basic needs of their populations. Communities and states that are already fragile and have limited resources are significantly more vulnerable to disruption and far less likely to respond effectively and be resilient to new challenges²."

The International Energy Agency states on its website:

"Meeting the emission goals pledged by countries under the United Nations Framework Convention on Climate Change (UNFCCC) would still leave the world 13.7 billion tonnes of CO₂ – or 60% – above the level needed to remain on track for just 2°C warming by 2035³."

We join with the growing number of businesses, customers, and communities in expressing our view that we all need to do our part to find solutions to the climate challenge. Specifically, we believe non-governmental organizations (NGOs) must continue to work constructively and collaboratively with private and public sectors to develop viable climate solutions; and governments need to establish clear climate change policy frameworks that provide the market the certainty it needs to increase investment in low-carbon solutions and innovation. Climate solutions must also focus on the needs of low- to moderate-income communities that may be disproportionately affected by impacts of climate change and the least likely to have the resources to invest in mitigation and adaptation efforts.

We will continue to do our part

We are a leader in financing environmentally beneficial opportunities. We have dedicated teams that focus on clean technology, including renewable energy, energy storage and efficiency, water, municipal and corporate green bonds, sustainable agriculture, alternative transportation, and more. Since establishing environmental commitments in 2005, we have provided more than \$52 billion in environmental finance, including more than \$4 billion toward low- to moderate-income communities. In 2014, renewable energy projects, owned in whole or in part by Wells Fargo, generated 11 percent of the U.S.'s renewable energy.

We are managing carbon risks in our lending and operations.

We continually assess risks in our loan portfolios including modeling the effect of a carbon price on our power and utilities industry customers. In 2008, we adopted the Carbon Principles for assessing risks associated with financing new electric power projects in the U.S. We became a member of the Advisory Group for the World Resources Institute/United Nations Environment Program for Financial Institutions Greenhouse Gas Sector Guidance in 2013, to support the development of an internationally harmonized greenhouse gas standard for financial intermediaries which measures, reports, and tracks company performance. And, most recently, we invested in emergency response vehicles to aid customers and communities that experience more frequent weather-related events, such as floods, fires, and other disasters.

We are using innovation to accelerate environmental sustainability in our own operations and beyond. We have achieved a 24 percent reduction in our greenhouse gas emissions and are working toward a 35 percent reduction by 2020. We are also directing philanthropic resources toward addressing climate change and community resiliency. Since 2012, we have invested more than \$40 million in environmental nonprofits, including a \$2 million grant to support the expansion of [Grid Alternatives](#), which provides renewable energy technology and related job training in low- to moderate-income communities. And most recently, we launched the Innovation Incubator (IN²), a \$10 million effort co-administered by the U.S. Department of Energy's [National Renewable Energy Laboratory](#) to foster the development of early-stage clean technologies.

Climate change represents one of the greatest challenges of our time, but it also represents a tremendous opportunity – to work together to help our customers, communities, and business thrive.

¹ [IPCC Climate Change 2014 Synthesis Report](#) – Summary for Policymakers

² [DOD Releases Report on Security Implications of Climate Change](#), news release July 29, 2015

³ [Clean-energy innovation essential to meeting climate goals](#), news release May 4, 2015