
Wells Fargo UK Modern Slavery Act Statement (FY 2021)

Introduction

As defined by the [U.K. government](#)¹, “modern slavery” is a term used to encapsulate slavery, servitude, forced or compulsory labor, and human trafficking. Wells Fargo & Company (Wells Fargo or Company) understands that the scale of modern slavery presents a global challenge and recognizes our responsibility to respect human rights in general, and consistent with the expectations of the UK Modern Slavery Act 2015 (UK MSA), to address modern slavery in our business operations and supply chain. Wells Fargo issues this statement in accordance with Section 54 of the UK MSA, covering our activities for the 2021 fiscal year. This statement provides an overview of our approach to addressing the issue of modern slavery in our business operations and supply chain.

About Wells Fargo

Wells Fargo & Company (NYSE: WFC) is a leading financial services company that has approximately \$1.9 trillion in assets, proudly serves one in three U.S. households and more than 10% of small businesses in the U.S., and is a leading middle market banking provider in the U.S. We provide a diversified set of banking, investment, and mortgage products and services, as well as consumer and commercial finance, through our four reportable operating segments: Consumer Banking and Lending, Commercial Banking, Corporate and Investment Banking, and Wealth & Investment Management. Wells Fargo ranked No. 41 on Fortune’s 2022 rankings of America’s largest corporations. In the communities we serve, the company focuses its social impact on building a sustainable, inclusive future for all by supporting housing affordability, small business growth, financial health, and a low-carbon economy.

Wells Fargo governance, policies, and training related to modern slavery issues

Governance: Wells Fargo recognizes the role we have in preventing modern slavery from occurring in our business dealings and operations, including in our supply chain. The Wells Fargo Board of Directors’ Corporate Responsibility Committee oversees, and our management directs, the Company’s significant strategies, policies, and programs on social and public responsibility matters, which is inclusive of sustainability and human rights.

Throughout 2021, we engaged a third-party law firm with expertise in business and human rights to undertake a Human Rights Impact Assessment (HRIA). The HRIA helped us gain better insights into where our stakeholders perceive we have positive and negative human rights impacts and where we may have opportunities to strengthen our approach. In 2022, we published the [Priority Recommendations of the Wells Fargo Human Rights Impact Assessment](#) and our actions in response.

Wells Fargo recognizes that our human rights work is ongoing. We recognize our unique role as a financial institution in preventing modern slavery. In 2021, we further expanded human rights and modern slavery recognition and mitigation

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capabilities within our supply chain management team. That same year, our Corporate Properties Group proactively strengthened standard language related to child labor and modern slavery in legal contracts for India and the Philippines construction projects to allow Wells Fargo greater oversight on these topics.

Policies and procedures: Guiding our overall efforts are, among other things, Wells Fargo’s [Human Rights Statement](#), our [Code of Ethics and Business Conduct](#), and the [Business Roundtable’s Statement on the Purpose of a Corporation](#)² to which Wells Fargo is a signatory — all of which reinforce our strongly held belief that everyone has the right to freedom and security, and that no one should be held in servitude. In addition, Wells Fargo policies and/or public statements include the following human rights considerations:

- Our Environmental and Social Impact Management Program and related policies build on Wells Fargo’s due diligence requirements, and help us identify, evaluate, and manage environmental and social-related impacts.
- Our Code of Ethics and Business Conduct is intended to guide the actions and decisions of all Wells Fargo employees and the Board of Directors. The Code of Ethics and Business Conduct outlines employees’ responsibilities to report evidence or suspicions of human rights abuses, and Wells Fargo provides a channel to do so. We do not tolerate retaliation against employees for providing information in good faith (or otherwise in accordance with applicable country-specific laws) about suspected unethical conduct, violations of law, and/or possible violations of relevant Wells Fargo policies.
- Our internal reporting channels are designed to allow employees across the enterprise, including the Europe, Middle East, and Africa (EMEA) regions, to raise concerns without fear of retaliation. Reporting channels include local whistleblowing options and our EthicsLine, a confidential way to report possible violations of the Code of Ethics and Business Conduct or any laws, rules, or regulations. We expect employees to speak up and raise concerns via the EthicsLine, to their managers, or to our human resources team. Employees and contingent resources at any location in the world can reach the EthicsLine by phone or online 24/7. In addition, Wells Fargo has in place a Security Response Center, a companywide service that employees and contingent resources around the world can contact 24/7 to report a range of security incidents.
- Our Financial Crimes Risk Management Program (FCRM), policies, and procedures are designed to promote compliance with applicable legal requirements and report activity to appropriate authorities that may be indicative of financial crimes. These documents provide requirements and guidance that help Wells Fargo in knowing our customers, assessing our clients’ potential financial crimes risks — including red flags for identifying potential modern slavery and human trafficking — and detecting and reporting activity potentially linked to modern slavery and human trafficking.
- Our [Supplier Code of Conduct](#) sets forth Wells Fargo’s global expectations of its suppliers and their operations, including those related to modern slavery. Wells Fargo requires its suppliers and their employees and subcontractors involved in the provision of products and services to comply with all applicable laws relating to human rights, including those intended to eliminate modern slavery and human trafficking. We expect individuals in our company and our supply chain to speak up, raise concerns, and report any suspicions or evidence of human rights abuses, including those related to modern slavery.

Training: All Wells Fargo employees are required to take financial crimes training annually. This training provides an overview of our global financial crimes program, which includes anti-money laundering, anti-bribery and corruption, and economic sanctions risks. The training also establishes employees’ responsibilities for identifying and reporting unusual activity.

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In the U.K., under the Proceeds of Crime Act 2002, human trafficking is considered an acquisitive crime. Wells Fargo provides training for all EMEA-based employees that is designed to raise awareness of the UK MSA, provide statistics about modern slavery, and communicate the need for employees to remain vigilant and raise concerns via the appropriate channels.

In 2018, Wells Fargo launched an internal companywide Modern Slavery Working Group (MSWG) to formalize and bolster our efforts addressing the issue of modern slavery. The MSWG mandate is to: 1) look for ways to improve our practices regarding identifying, assessing, and addressing the risk of modern slavery, and 2) foster enhanced enterprise coordination in meeting disclosure requirements under the UK MSA. In 2021, departments in which work is affected by potential modern slavery issues continued to participate in the MSWG, raising awareness and hosting external guest speakers for trainings.

Wells Fargo's FCRM also conducts learning sessions on human trafficking, featuring information collected through public data, non-governmental organizations (NGOs), discussions with law enforcement, and case studies to identify red flags of potential human trafficking. These learning sessions are provided on an ongoing basis as part of the Anti-Money Laundering (AML) New Hire Continuing Education and Learning Program curriculum, which is offered to AML new hires as well as tenured AML investigators seeking a refresher course. FCRM discusses human trafficking trends on biweekly training calls; attends, presents, and hosts industry and law enforcement human trafficking meetings and conferences; and maintains communication with law enforcement agencies on human trafficking trends.

Wells Fargo continues to explore additional opportunities to help employees better understand, identify, and respond to modern slavery and human trafficking issues within their functional roles.

Wells Fargo's human rights due diligence and risk assessment approach

Like other financial institutions, we take a risk-based approach in our due diligence activities, as described below.

Employees and contingent resources

As indicated above, we encourage all employees and contingent resources to use our EthicsLine and the Security Response Center to report concerns. We continuously look for ways to improve these and other channels to address issues that may surface inside our company and across our value chain.

Supply chain and third-party risk

Wells Fargo's standard terms for supplier contracts were updated in 2020 to help ensure suppliers and their personnel, including employees and subcontractors, comply with all applicable laws related to modern slavery. Relevant content is shared across our sourcing, contracting, and third-party risk programs and procedures, and aims to generally align with components of the United Nations Guiding Principles on Business and Human Rights.

In performing supplier due diligence and lifecycle management, Wells Fargo employees within our organization use a wide variety of sources — including publicly available data, internal research, and nonpublic tools — and techniques, including direct supplier interactions; and proposal evaluation. In certain higher-risk scenarios, teams engage additional Environmental, Social, and Governance and/or Legal, Risk, and Compliance resources for evaluations. Wells Fargo is also active in various financial services' industry forums to develop shared resources and best practices.

In the supply chain, our contracting approach generally requires suppliers, their personnel, and their subcontractors to comply with applicable laws relating to modern slavery in the provision of our third-party agreements for products and services. Consistent with our contracting approach, we generally have the right to terminate a third-party contract for material breaches of relevant contract provisions, including not performing proper background screening.

Our contracting approach generally requires suppliers to conform to new obligations resulting from a change in the laws applicable to modern slavery. We also regularly review our contract templates and include in them contractual rights to perform audits and conduct risk assessments of our suppliers.

Customers and clients

Wells Fargo coordinates business data intelligence to monitor customers, transactions, products, channels, and businesses for potential involvement in human trafficking. The Company employs generic and dedicated programs in this space. Generic monitoring programs aim to identify unusual activity, while the dedicated monitoring program searches for red flags indicative of potential human trafficking. Activities from these programs are investigated and reported to appropriate authorities if suspicious activity is identified. Wells Fargo continues to engage in industry collaboration on this topic. Over the last four years, FCRM led or participated in the following:

- **Human rights initiative relating to the Super Bowl:** Since 2018, Wells Fargo has participated in a joint initiative with law enforcement focused on identifying and mitigating the rise of human trafficking surrounding events related to the National Football League's Super Bowl. Wells Fargo works with the law enforcement task force assigned to cover the sporting event and a nonprofit intelligence organization dedicated to combating human trafficking. These partners provide public data for Wells Fargo to review to identify potential suspicious activity related to human trafficking.
- **Human trafficking Suspicious Activity Reports (SARs):** Wells Fargo continues to investigate and file SARs, indicating human trafficking where appropriate. In some urgent cases, Wells Fargo will proactively contact law enforcement to bring these cases to their attention.
- **Global financial investigations unit:** Wells Fargo continues to be an active member of the U.K. National Economic Crime Centre's Joint Money Laundering Intelligence Taskforce (JMLIT), a public/private partnership between law enforcement and the financial sector in the U.K. JMLIT was established to provide for the exchange and analysis of information relating to money laundering and wider threats such as modern slavery and human trafficking.
- **Financial crimes working group:** Throughout 2021, a dedicated team within FCRM led a financial crimes working group within Wells Fargo to enhance the Company's anti-human trafficking program. The group identified direct customers and customers in Wells Fargo's correspondent banking network that may be involved in human trafficking and escalated them to the businesses for further review; enhanced transaction monitoring; disseminated an internally developed podcast to raise awareness of human trafficking throughout the Company; and engaged in conversations with customers about their anti-human trafficking programs. FCRM continued to collaborate with its NGO and financial institution partners to proactively identify typologies and trends that Wells Fargo can leverage to identify customers who may be involved in human trafficking. Additionally, FCRM continues to use information provided by NGO partners and from news sources to identify Wells Fargo customers and customers in the Company's correspondent network who might be connected to the illicit sex industry. These customers are reviewed for unusual activity and escalated to the appropriate business groups for further action, if needed.
- **Services for survivors of modern slavery and human trafficking:** In September 2019, Wells Fargo became one of the original participants to the United Nations Finance Against Slavery and Trafficking (FAST) Survivor Inclusion Initiative (SII), which provides basic financial services — including checking and savings accounts — to survivors of human trafficking. Wells Fargo has provided checking and savings accounts, as well as a credit card account, as requested by survivors. FCRM works with Wells Fargo Consumer and Small Business Banking to facilitate the opening of these accounts. Additionally, FCRM provided suggestions to FAST for how SII can be improved. FCRM continues to work with survivors of human trafficking and survivor support organizations to address the special circumstances surrounding survivors and their accounts.

- **Corporate Due Diligence Investigations (CDDI):** CDDI is the company's customer due diligence and background investigations solution supporting all major lines of business. CDDI supports investigations of new and existing customers and third-party relationships, managed both domestically and internationally, through non-U.S. branches or subsidiaries. In 2021, CDDI enhanced its adverse news screening process by including additional terms related to modern slavery.
- **Transactional Risk & Intelligence Group (TRIG):** As part of the Global Treasury Management (GTM) business, the TRIG team conducts transactional analyses of Wells Fargo customers across industries, products, and correspondent banks. These analyses include reviews of risk indicators for potential forced labor and sex trafficking. Activities during 2021 included transactional reviews of service industry customers and assessments for potential forced labor and sex trafficking indicators, organizing work in response to Uyghur Forced Labor Prevention Act, and transactional reviews of GTM products for potential misuse. The TRIG team takes appropriate actions with any identified unusual activity. In addition to transactional reviews, TRIG also partnered with our financial crimes groups on projects dedicated to human trafficking identification. TRIG hosted internal stakeholder awareness sessions on human trafficking and modern slavery throughout 2021.

Environmental and Social Impact Management (ESIM)

The ESIM group conducts additional due diligence for prospective and current corporate customers in selected sensitive industries, as defined by our ESIM Program and related policies. Per ESIM internal policies, Wells Fargo will not provide new direct credit, capital markets origination, or corporate advisory services to, or make corporate principal investments in, clients where there is evidence of modern slavery, servitude, forced or compulsory labor (including child labor), and/or human trafficking.

Collaboration with others

Many human rights challenges, including modern slavery, are systemic and cannot be solved by any single actor. We know we must collaborate with multiple stakeholders, both to learn from them and when appropriate, share best practices. Wells Fargo is a founding member of the U.S. Banks Alliance Against Human Trafficking (U.S. Banks Alliance) which was established in 2013 by the Thomson Reuters Foundation and the New York County District Attorney's Office.

Specific to modern slavery, in 2021, we engaged with the Polaris Project, a data hub that provides key data to those seeking to deepen knowledge and understanding of human trafficking to stay updated on typologies and trends in the United States. We actively work with law enforcement and other financial institutions to combat financial crimes, which may be indicative of modern slavery and human trafficking. In 2021, we joined the Shift's Financial Institutions Practitioners Circle, which fosters engagement among financial institutions to discuss human rights challenges and develop solutions. We attended four quarterly sessions that helped guide our approach to human rights and strengthen our understanding of human rights considerations.

Wells Fargo also supports the Charlotte Triage Pro Bono Partnership (Triage), a collaboration of in-house and law firm lawyers supporting the legal aid needs in Charlotte, North Carolina, and a critical local resource for human trafficking victims. In 2021, Triage handled numerous matters for survivors, including legal representation and assistance repairing credit which was damaged as a result of trafficking. In addition, Wells Fargo co-hosted the organization's annual Triage Human Trafficking program's October 2021 continuing legal education course, training attendees on immigration relief for victims of trafficking. Triage also offered trauma-informed support, credit repair training, and technical assistance throughout the year. Notably, Wells Fargo worked with numerous survivors to help provide much needed financial access through the Survivor Inclusion Initiative.

Improving effectiveness

As we indicate in our [Human Rights Statement](#), respecting human rights is a continuing effort. We are committed to reviewing our practices regularly in light of the increasingly complex and difficult nature of this issue. With that in mind, during this next reporting year, Wells Fargo will explore ways to enhance our efforts to address modern slavery, and, consistent with the expectations of the UK MSA, report on progress made.

This statement was reviewed and approved by senior leadership at Wells Fargo, then reviewed and approved by the Corporate Responsibility Committee of the Board of Directors on Friday, August 19, 2022, and has been signed by our CEO who is also a member of our Board.



Charles W. Scharf
CEO
Wells Fargo & Company
Date: August 29, 2022

Forward-looking statements

This document contains forward-looking statements about the Company's future financial performance and business. Because forward-looking statements are based on our current expectations and assumptions regarding the future, they are subject to inherent risks and uncertainties. Do not unduly rely on forward-looking statements, as actual results could differ materially from expectations. Forward-looking statements speak only as of the date made, and we do not undertake to update them to reflect changes or events that occur after that date.

For more information about factors that could cause actual results to differ materially from expectations, refer to our reports filed with the Securities and Exchange Commission, including the "Forward-Looking Statements" discussion in Wells Fargo's most recent Quarterly Report on Form 10-Q as well as to Wells Fargo's other reports filed with the Securities and Exchange Commission, including the discussion under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021, available on its website at www.sec.gov.

This statement is intended to apply to all of the Wells Fargo Group. In accordance with the UK MSA, specific reference is made to the following UK subsidiaries:

- Wells Fargo Securities International Limited
- Wells Fargo Capital Finance (UK) Limited
- TRITRI House S.à.r.l.
- WFBNA (London Branch)