

Consumer Banking Overview

December 5, 2019

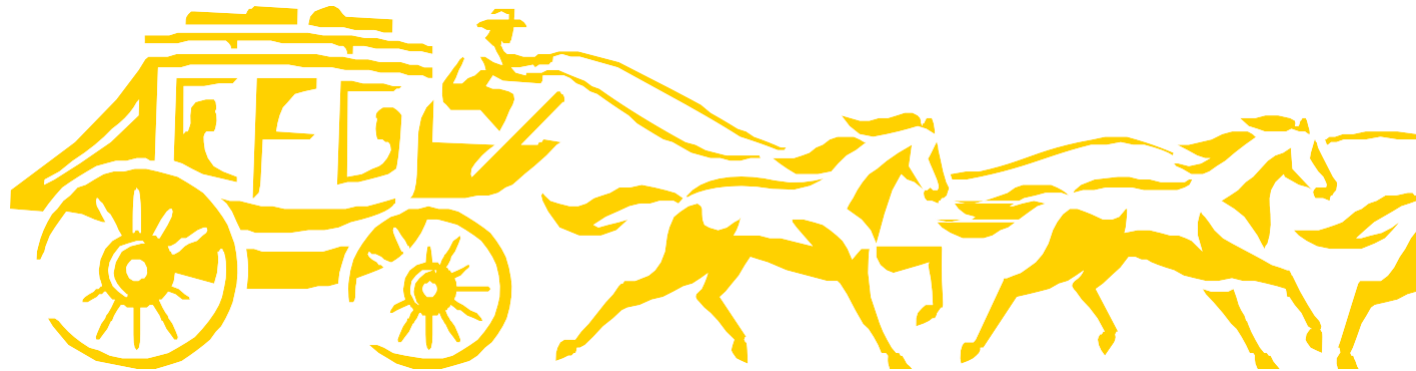


Table of Contents

- **Consumer Banking Overview**

- **Lines of Business**
 - Community Banking
 - Small Business/Personal Lending Group
 - Home Lending
 - Auto

Consumer Banking: Overview

- Located in more communities than any other bank ⁽¹⁾
- Serve 1 in 3 consumer households and 1 in 10 small businesses in the U.S. ⁽²⁾
- A Wells Fargo branch or ATM is within two miles of half the U.S. census households and small businesses in our footprint ⁽³⁾
- Mortgage presence in nearly 1,000 locations, including stand-alone mortgage branches and other business partner sites

#1 U.S. Retail Branch Network ⁽⁴⁾

#3 Bank Owned ATM Network ⁽⁵⁾

#2 Retail Deposit Market Share ⁽⁶⁾

#1 Debit Card Issuer by Purchase and Transaction Volume ⁽⁷⁾

#1 Home Lender and Servicer ⁽⁸⁾

#3 Overall Auto Lender ⁽⁹⁾

(1) SNL Financials as of June 2019. (2) 1 in 3 is enterprise-wide; U.S. Census data for consumer and Primary Bank Market Share (Q1 2018, rolling eight quarters) as defined by Barlow Research Associates for small businesses. (3) Claritas Demographics as of December 2018 and Dun & Bradstreet January 2019. (4) FDIC data, SNL Financial, as of June 2019. Excludes credit unions, non-continental U.S. territories, and non-retail institutions and branches. (5) Peer earnings reports and websites, 3Q19. (6) FDIC data, SNL Financial, as of June 2019. Retail deposit data is pro forma for acquisitions and caps deposits at \$1B in a single banking branch and excludes credit union deposits. (7) Nilson Report, April 2019. (8) 1Q19 Inside Mortgage Finance. (9) Experian AutoCount as of 3Q19 (loan only excludes leases).

Consumer Banking: Our Team



Mary Mack
Head of Consumer
Banking
Charlotte, NC



David Kowach
Community Banking
Saint Louis, MO




Michael DeVito
Home Lending
Des Moines, IA



Laura Schupbach
Wells Fargo Auto
Chandler, AZ



Elli Dai
Small Business &
Personal Lending
Charlotte, NC



Andy Rowe
Enterprise Customer
Excellence
Charlotte, NC



Bill Senhauser
Risk Management
Charlotte, NC



Jonathan Velline
Chief Operating
Officer
San Francisco, CA

Consumer Banking: Businesses well-positioned for growth

Strong Franchise

- With **70MM customers** at Wells Fargo, we conduct more than 3.5MM branch and ATM transactions daily on average, and customers connect virtually over 15MM times per day
- Strong individual **product and channel capabilities** that have grown organically and independently
- **Over half of customers have only one service** with us – opportunity to earn more of our customers' wallet share
- **Opportunity to grow** by leveraging data to engage with existing customers and retain them through better integration of our businesses

Our Opportunities

- Integrated execution across businesses
- Develop a clear value proposition based on **building personal relationships** where knowing our customers helps us best meet their needs
- Create a stronger omni-channel approach, blending physical distribution, digital, human interactions, and relevant data to **efficiently provide comprehensive financial solutions** to our customers
- Optimize expense base to **lower cost to serve** and reinvest in our business

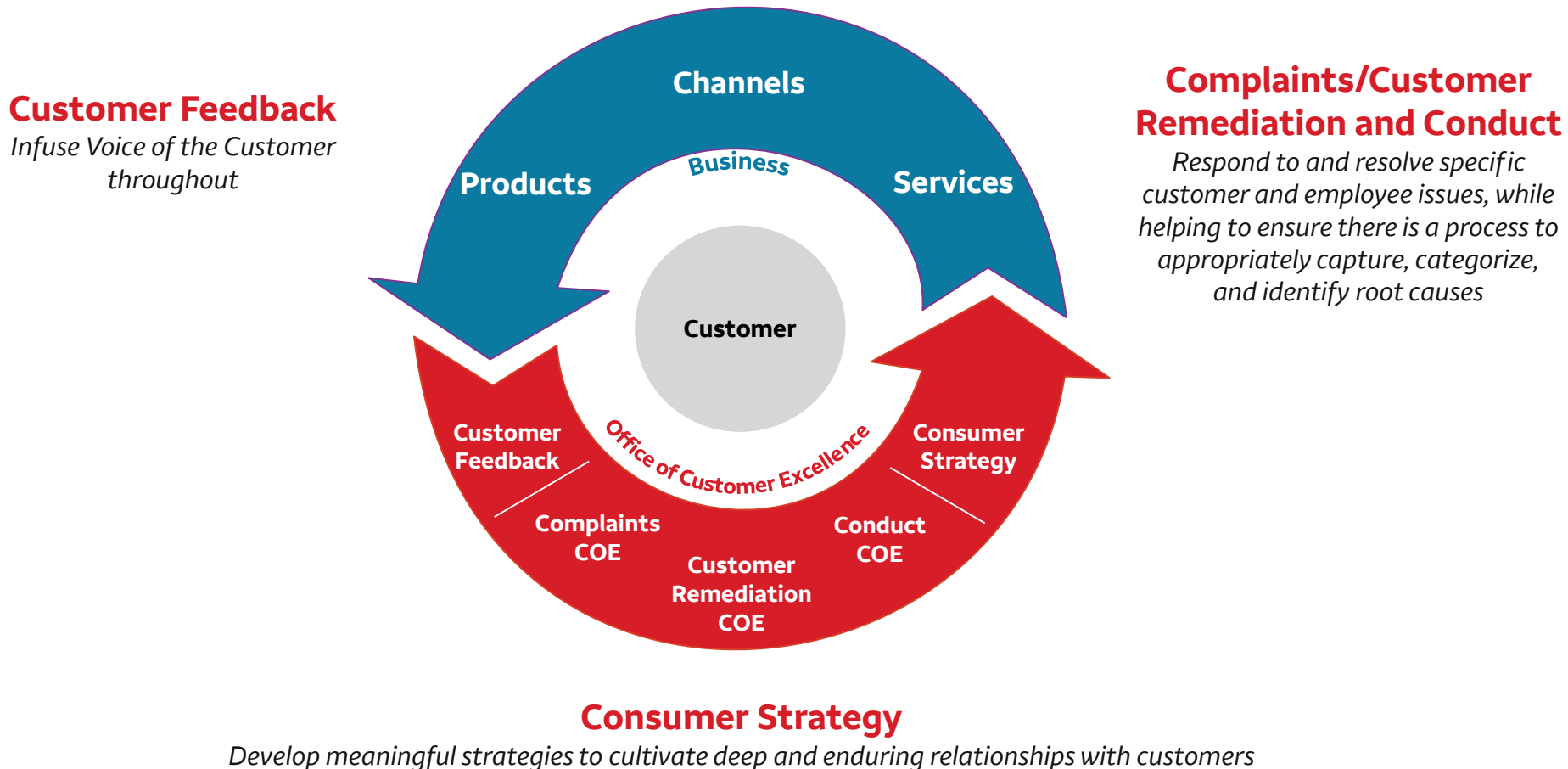
Path Forward

- Put the **customer** at the center of everything we do
- Effective **risk management**
- **Improved execution** to reduce risk, increase efficiency, and drive growth
- Accelerate pace of **business transformation**
- Provide **end-to-end digitization** of customer experience, with consistency across channels and products

Enterprise Customer Excellence Team

New team integrates insights and learnings to continuously improve the end-to-end customer experience

Enterprise Customer Excellence will partner with lines of business to help ensure that feedback loops, learnings, process changes, training, root cause identification and analysis generate improvements in our customer experience.



Community Banking

Community Banking: Overview

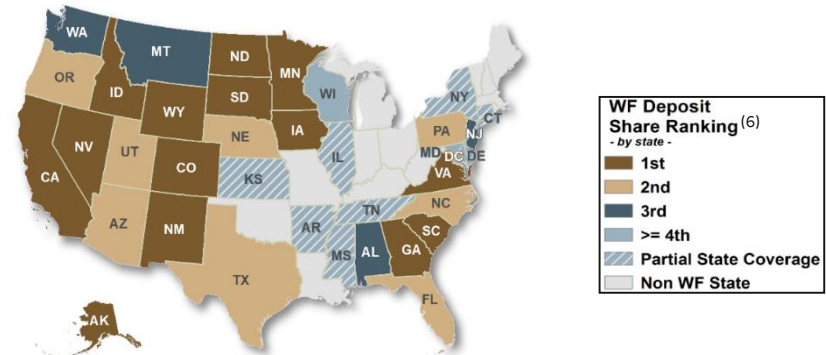
- **Community Banking** serves the financial needs of customers in branches located in 36 states, offering a full array of financial products and services for Retail & Small Business customers, including key priority segments (Emerging Affluent, Small Business)
- We're undergoing **transformation** in our branches to:
 - Meet simple needs with digital and other self-service options
 - Satisfy complex needs with face-to-face conversations
 - Streamline and simplify operations
 - Tailor branch formats to meet customer segment needs

Key Stats

- #1 U.S. Retail Branch Network ⁽¹⁾
- #1 Consumer Mobile Banking ⁽²⁾
- #2 Retail Deposit Market Share ⁽³⁾
- ~24MM+ Primary Customers ⁽⁴⁾
- 13,000+ card-free ATMs

Serving More Communities

- Located in more states and ~2x as many markets as our competition ⁽⁵⁾
 - We have branches in 36 states + DC
 - Our branches are in 47 of the 50 fast growing large U.S. markets, and we have #1 or #2 deposit share in 35 of the 47 ⁽⁶⁾
 - In 41 of the 50 highest income large markets, and we have #1 or #2 deposit share in 27 of the 41 ⁽⁶⁾



(1) FDIC data, SNL Financial, as of June 2019. Excludes credit unions, non-continental U.S. territories, and non-retail institutions and branches. (2) 2Q19 Dynatrace tied for #1 overall performance in Mobile Bank Scorecard. (3) FDIC data, SNL Financial, as of June 2019. Retail deposit data is pro forma for acquisitions and caps deposits at \$1B in a single banking branch and excludes credit union deposits. (4) Customers who actively use their checking account with transactions such as debit card purchases, online bill payments, and direct deposit; as of August 2019. (5) U.S. Markets defined as largest Core Based Statistical Areas (CBSAs) by population. Metropolitan and Micropolitan statistical areas (metro and micro areas) are geographic entities delineated by the Office of Management and Budget (OMB). Major Metro internally defined as Metropolitan markets with over 1MM population. Rural internally defined by "Unassigned" CBSAs. Counts as of 6/30/19. (6) Nielsen Claritas. Fastest-growing and highest income U.S. markets defined by population > 500,000. Five-year projected household growth rate and average household income data as of 1/1/2019. SNL Financial 6/30/19. Excludes credit unions, non-continental US territories, non-retail institutions/branches; caps deposits at \$1B in a single branch.

Community Banking: Branch Strategy

Customer Segments

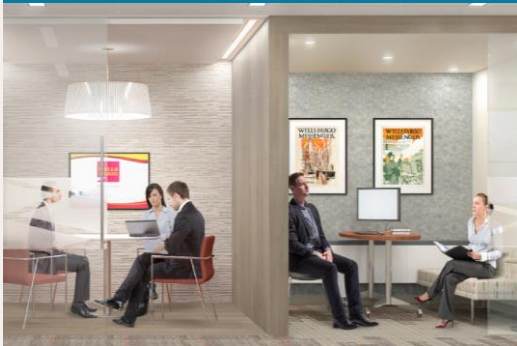
We will continue a more segmented market program, reflecting competitor distribution shifts, customer usage changes, and market characteristics:

- In attractive markets, we will strive to maintain competitive parity, dynamically adjusting our branch count to match customer preferences, competitor actions, and relative shifts in sustainable competitive advantage (e.g. brand, marketing, technology, segments, product)
- In other markets, we will reduce branch counts more aggressively through consolidations and divestitures

Customer Segment Themes: Format follows function: mirroring branch operating model to customer segment needs

Advice

enabled by range of collaborative spaces with varying degrees of privacy



Specialists

supported by higher visibility and clarity of partner capabilities



Express

augmented by digitally enabled team members



Community Banking: Priorities

Staffing and service efficiency

Branch distribution

Change what branches do by focusing on client well being

Branch infrastructure investment

Marketing and deploy new formats and financial centers

Leverage partnerships

Digital Integration

Strengthen risk management

Small Business & Personal Lending Group

Small Business and Personal Lending Group: Overview

Small Business:

- Serves small businesses with up to \$5MM in annual revenue
- Utilize a differentiated service model in recognition of the diversity of small businesses
- Offer full breadth of products and services, including deposits, lines of credit, term loans, credit card, real estate financing, merchant services, and practice finance

Small Business Stats

- 3MM small business customers
- \$1.9B in origination volume ⁽¹⁾
- 3 of 4 customers also have a consumer relationship at Wells Fargo

Personal Lending:

- Provides unsecured personal loans, lines of credit, and private student loans
- Private student loans include in-school financing as well as student loan consolidation options
- Primarily focused on existing Wells Fargo customers
 - Over 90% of personal lines and loans customers have a broader relationship with us
 - 58% of student loan households have a broader relationship with us

Personal Lending Stats

- 2MM personal lending customers
- \$6.9B in personal loans and lines portfolio; \$10.8B in student lending portfolio ⁽²⁾

Small Business: Priorities

Enhance acquisition and relationship model

Invest in relationship based approach using branch, phone, and digital channels

Accelerate digital capabilities

Streamline account opening and ongoing money management for small business owners

Deepen customer relationships

Provide trusted advice and customer centric solutions to help small businesses be more successful

Focus on quality

Maintain high quality portfolio

Strengthen risk management

Personal Lending Group: Priorities

Expand student segment focus

Partner across Wells Fargo to provide seamless customer journeys from pre college through post graduation

Accelerate digital capabilities

Improve ability for customers to select, initiate, and manage their loans

Prioritize relationships and customer education

Engage experienced loan consultants to review options, provide education, and cultivate multi year relationships

Focus on quality

Maintain high quality portfolios

Strengthen risk management

Home Lending

Home Lending: Overview

- Mortgage industry leader with a **diversified business model** including Retail and Correspondent Production, Capital Markets and Servicing
- Home Lending Retail serves customers through **broad distribution** options including local home mortgage consultants, centralized call centers, wells Fargo.com, Community Bank, Wells Fargo Advisors and Wealth Management
- Significant opportunity to **grow through existing customer relationships** and leverage what we know about Wells Fargo customers to create simplified, differentiated experiences
 - ~30% of all new mortgage industry originations in 2019 had an existing Wells Fargo enterprise relationship ⁽¹⁾
 - Wells Fargo services 8.2MM mortgage loans, totaling \$1.4T ⁽²⁾, representing a large retention opportunity

Key Stats ⁽³⁾

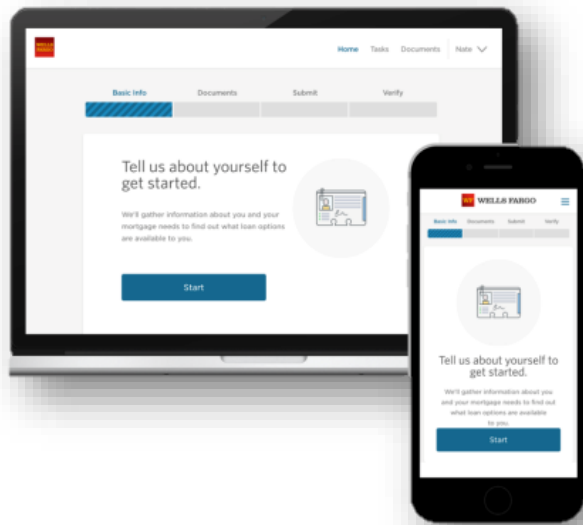
#1 Mortgage Lender
#2 Retail Lender
#1 Correspondent Lender
#1 Mortgage Servicer
#1 Jumbo Lender
#1 Fannie/Freddie Issuer

Landscape/ Key Trends

- 2019 and 2020 origination market expectations currently higher than originally forecasted ⁽⁴⁾
- Highly competitive market environment
- Fast-paced industry innovation and adoption of technology
- Changing homebuyer demographics
- On the policy/regulatory front: GSE and FHA reform, housing affordability

Home Lending: Transformation

Delivering differentiated, simplified lending experiences to grow Wells Fargo customer relationships



Continuing to invest in digitizing the end-to-end home lending experience

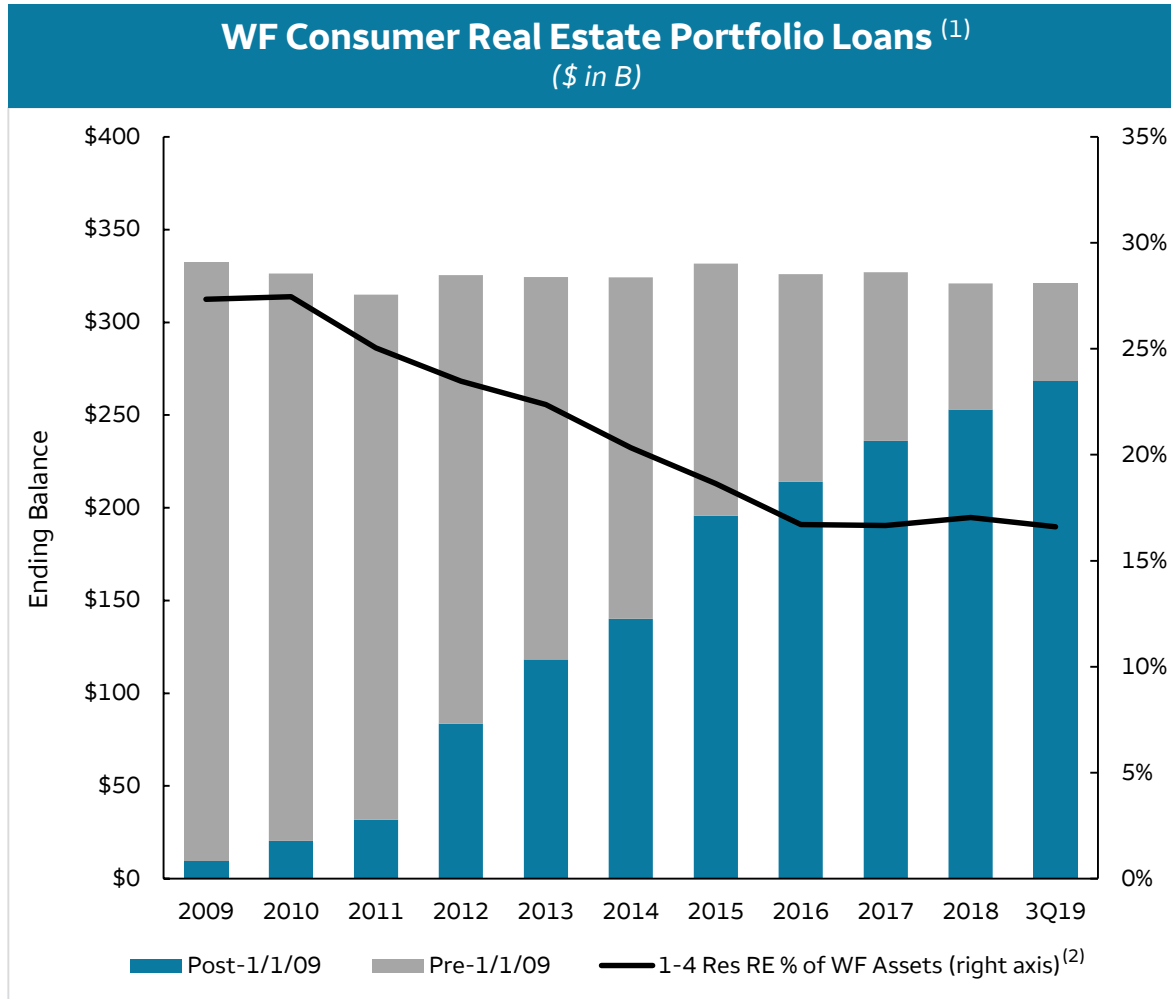
- ✓ Building comprehensive digital capabilities from origination to servicing
- ✓ Further expanding trusted source data to deliver a seamless, frictionless customer experience
- ✓ Developing data-driven decision automation capabilities that result in a highly efficient home lending experience

Customer utilization of Online Mortgage Application continues to grow

- ✓ Full rollout of online mortgage application completed in April 2018
- ✓ Over half of all mortgage applications taken in October 2019 utilized the online mortgage application

Home Lending: Portfolio Trends

Home Lending Portfolio quality remains very strong



Only 1,350 (or 0.28% of funded balances) of the 487,000 jumbo loans funded since 2009 have ever been 60+ days past due

(1) Includes home equity, jumbo, Pick-a-Pay, conforming, and government insured/guaranteed loans. (2) 1-4 Res RE = 1-4 Family Residential Real Estate (based on average balance).

Home Lending: Priorities

Grow Wells Fargo customer relationships

Create differentiated, simplified home lending experiences

Enhance data-driven decision automation capabilities

Continue to digitize and automate the end to end experience to drive operational excellence and simplicity

Focus on quality

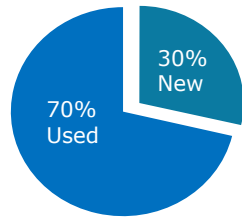
Maintain high quality portfolio

Strengthen risk management

Auto Lending

Auto Lending: Overview

WF Auto provides financing solutions for consumer and dealer customers through a centralized operating model



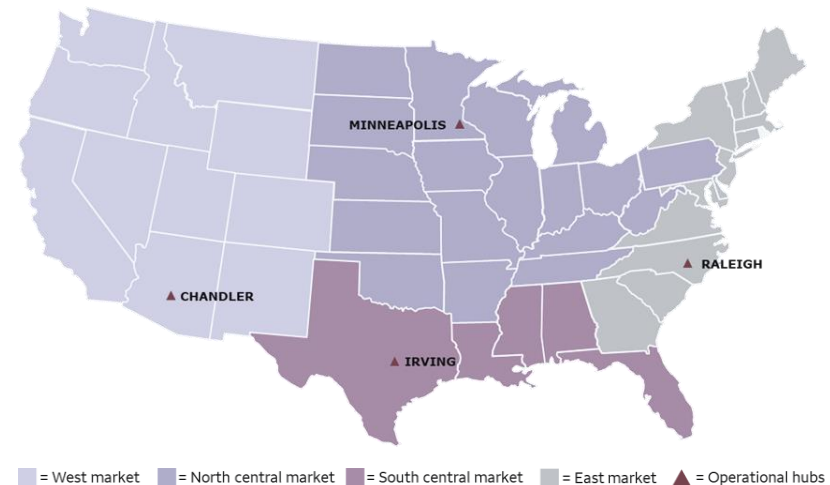
\$46.7B ⁽¹⁾
Retail auto loan portfolio

- **Retail** business provides auto financing to consumers through a national dealer network. As of 3Q19, average loan size was \$24.6K ⁽²⁾ with an average FICO score of 740 ⁽³⁾
- **Commercial** business provides floorplan financing, real estate loans, acquisition support and other treasury services to dealerships. Approximately 800 dealers have floorplan financing with WF Auto with \$10.6B ⁽¹⁾ outstandings and an average utilization of 74%

Key Stats

- 12,000+ Active Dealer ⁽⁴⁾ relationships
- 3MM Consumer customers
- #3 used auto and #3 overall U.S. retail auto lender ⁽⁵⁾
- \$18.7B Retail Auto originations through the first nine months of 2019

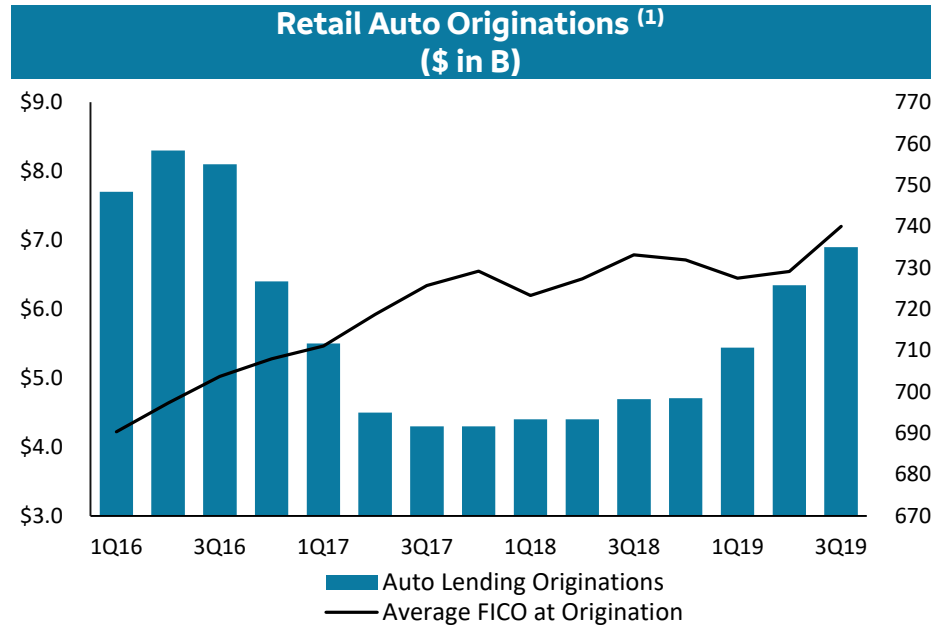
4 Centralized Hubs



(1) Ending balances as of 3Q19. (2) Average Loan Size is first nine months of 2019. (3) FICO score based on Q3 originations. (4) Dealers with at least one funded retail auto loan over the prior three months. (5) Experian AutoCount as of 3Q19 (loan only excludes leases).

Auto Lending: Portfolio Trends

We've made significant advancement in our business transformation, moving from a period of stabilization to growth



- Our primary focus is returning to broad spectrum lending while maintaining strong risk discipline and appropriate returns
- Monthly originations in 2019 was trending at \$2B+ a month

- Our transformation has made us faster, more consistent and easier to do business with
 - Speed of decision, a dealer requirement, via automation, has especially increased our Prime volume
 - More consistent buying has earned us more applications

Retail Auto (2)	3Q17	3Q18	3Q19
New Originations (\$B)	\$4.1	\$4.6	\$6.9
Automated Decisioning Rate	24.3%	40.3%	47.3%

(1) Indirect and Direct Auto. (2) Indirect Auto.

Auto Lending: Priorities

Continuing our business transformation to maintain relevancy in an evolving digital marketplace, create deeper connections to the Consumer Banking experience, and reduce risk

Optimizing our mix of business to achieve targeted returns while operating within enterprise risk tolerance

Integrating into the Enterprise enabling WF Auto to be fully part of the overall Consumer Strategy, including wells Fargo.com

Developing digital capabilities to meet the growing digital demands of existing and potential dealer and consumer customers

Modernizing origination and servicing platforms and automating manual processes

Continuing standardization to increase consistency in processes and improving service

Focus on quality

Maintain high quality portfolio

Strengthen risk management

**WELLS
FARGO**

Forward-looking statements

This document contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. In addition, we may make forward-looking statements in our other documents filed or furnished with the SEC, and our management may make forward-looking statements orally to analysts, investors, representatives of the media and others. Forward-looking statements can be identified by words such as “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects,” “target,” “projects,” “outlook,” “forecast,” “will,” “may,” “could,” “should,” “can” and similar references to future periods. In particular, forward-looking statements include, but are not limited to, statements we make about: (i) the future operating or financial performance of the Company, including our outlook for future growth; (ii) our noninterest expense and efficiency ratio; (iii) future credit quality and performance, including our expectations regarding future loan losses and allowance levels; (iv) the appropriateness of the allowance for credit losses; (v) our expectations regarding net interest income and net interest margin; (vi) loan growth or the reduction or mitigation of risk in our loan portfolios; (vii) future capital or liquidity levels or targets and our estimated Common Equity Tier 1 ratio under Basel III capital standards; (viii) the performance of our mortgage business and any related exposures; (ix) the expected outcome and impact of legal, regulatory and legislative developments, as well as our expectations regarding compliance therewith; (x) future common stock dividends, common share repurchases and other uses of capital; (xi) our targeted range for return on assets, return on equity, and return on tangible common equity; (xii) the outcome of contingencies, such as legal proceedings; and (xiii) the Company’s plans, objectives and strategies. Forward-looking statements are not based on historical facts but instead represent our current expectations and assumptions regarding our business, the economy and other future conditions. Investors are urged to 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 the “Forward-Looking Statements” discussion in Wells Fargo’s press release announcing our third quarter 2019 results and in our 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, 2018.