



Wealth & Investment Management

Jonathan Weiss

Senior Executive Vice President

May 10, 2018

Wealth & Investment Management

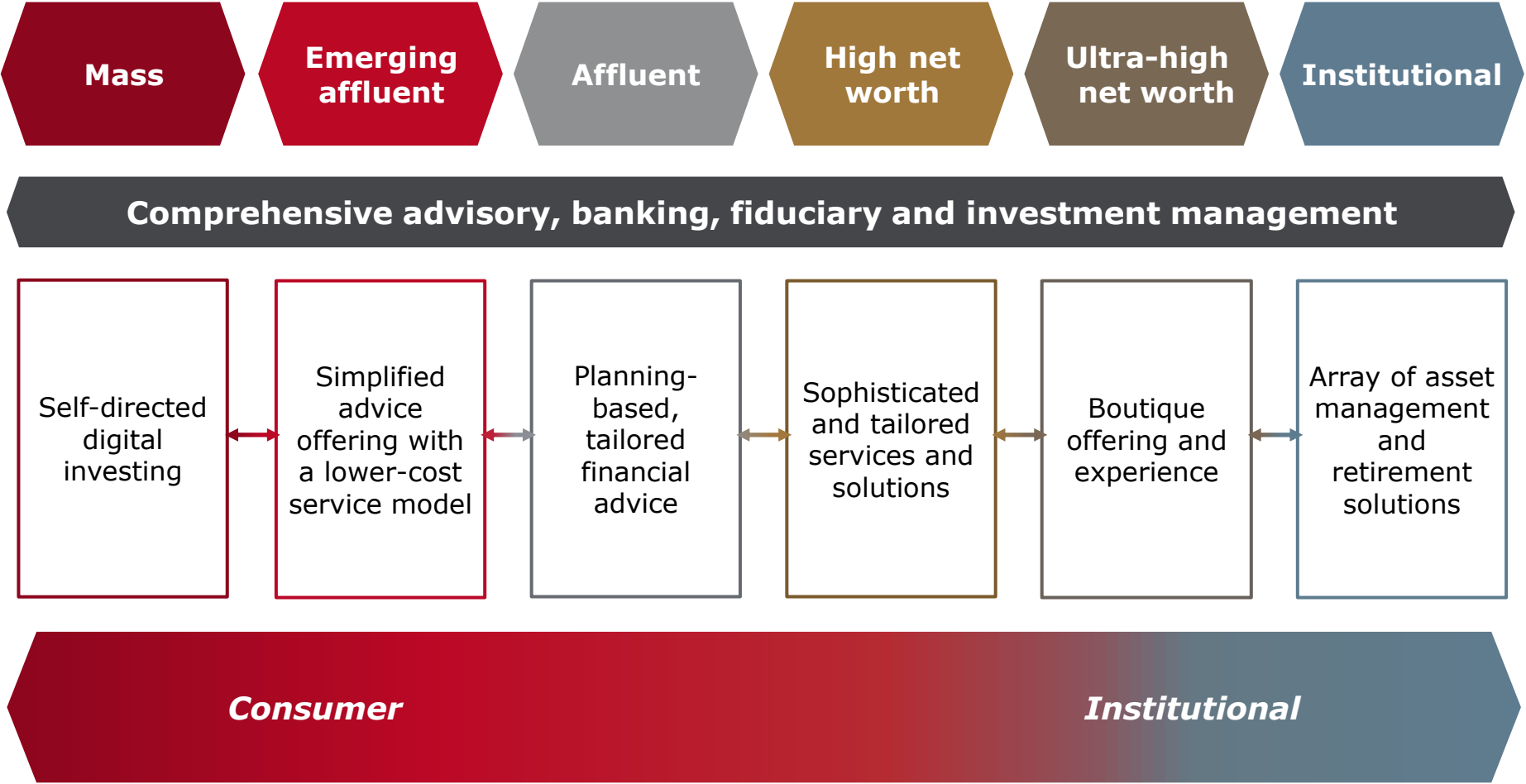
We are a leader in managing the savings, investments and retirement assets of individuals and institutions across the United States

Wealth & Investment Management				
\$17.1B revenue	\$2.3T client assets	7MM clients	14,400 financial advisors	
Wells Fargo Advisors	The Private Bank	Abbot Downing	Asset Management	Institutional Retirement
Top 3 Retail Brokerage Firm (1)	Top 5 Wealth Management Firm (2)	"Best Private Wealth Manager in Client Service" (3)	Top 19 Fund Manager (4)	Top 7 Institutional Retirement Plan Record-keeper (5)
Wells Fargo Investment Institute				
Investment intellectual capital and acumen				
Core attributes				
Client-driven	Open architecture	Disciplined	Collaborative	

Revenue for fiscal year 2017. Client assets and counts as of March 31, 2018. Retail Brokerage, Wealth Management, Abbot Downing and Institutional Retirement assets include deposits and Wells Fargo Fund holdings. Households (HHs) defined as an address-based account grouping with Wealth & Investment Management product ownership. Relationships represent clients grouped by relationship manager and may include multiple households. (1) Company and peer data; based on financial advisors (September 2017). (2) Barron's 2017 Wealth Manager survey (based on Retail Brokerage and Wealth Management assets in accounts >\$5MM). (3) Private Asset Management Awards: "Best Private Wealth Manager in Client Service over \$5B" (February 2017). (4) Morningstar Direct (December 2017). (5) PLANSPONSOR magazine (June 2017).

Helping clients succeed at every financial stage

Wealth & Investment Management extends across the Wells Fargo platform to provide the full depth of our offering to individual and institutional clients



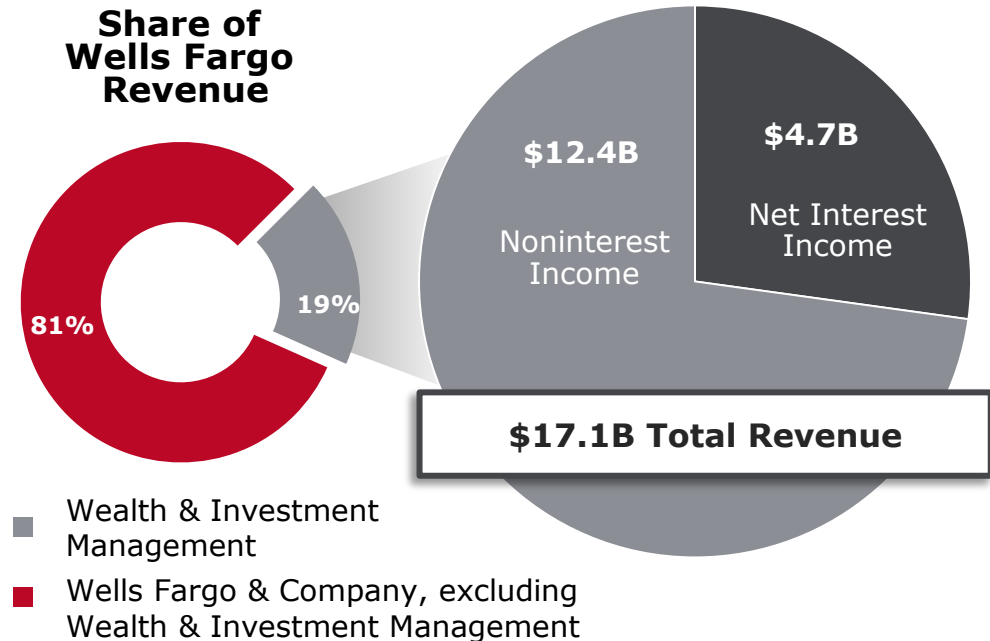
Financial profile

Wealth & Investment Management has significant scale across multiple businesses

Assets by business ⁽¹⁾

Wells Fargo Advisors	\$1.6T
The Private Bank	\$195B
Abbot Downing	\$47B
Wells Fargo Asset Management	\$497B
WELLS FARGO Wealth & Investment Management	\$2.3T ⁽²⁾ Client assets
Institutional Retirement and Trust	\$904B Recordkeeping and custody assets under administration

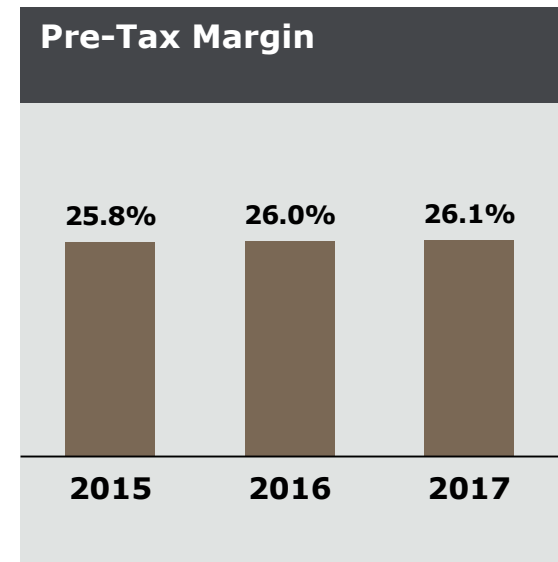
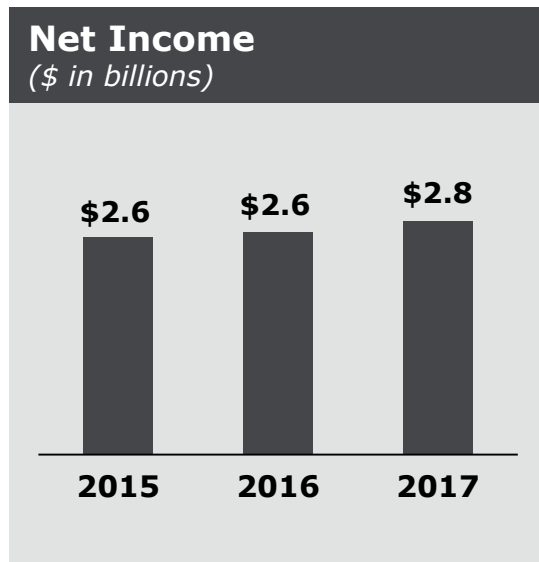
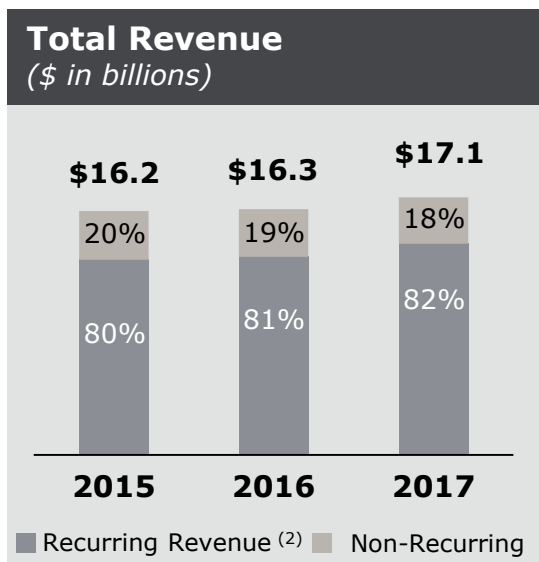
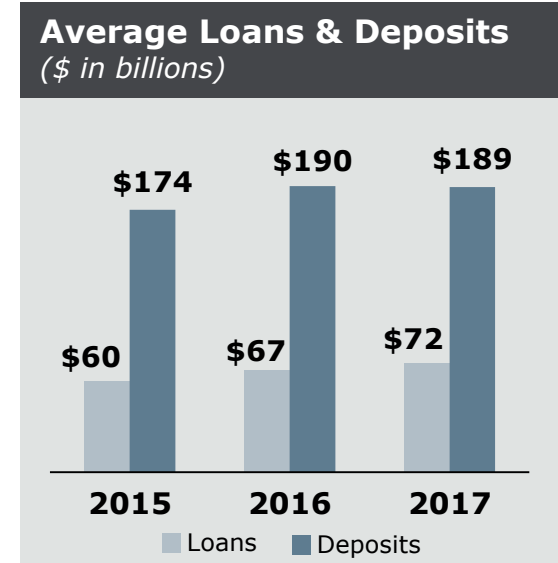
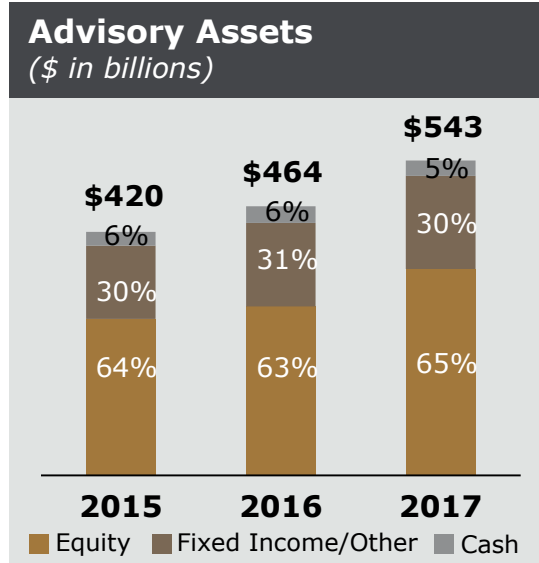
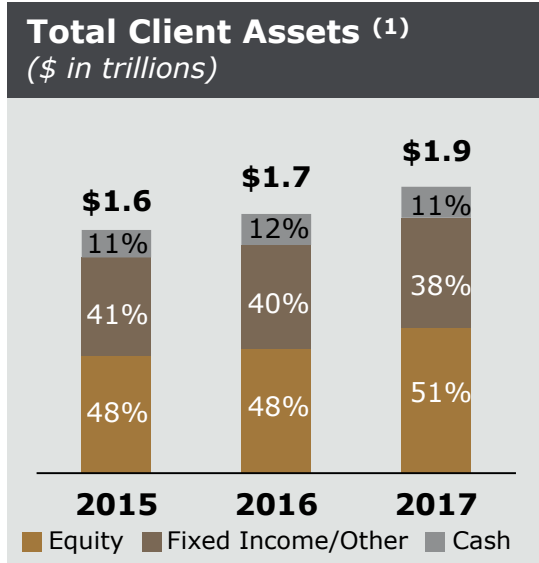
In 2017, Wealth & Investment Management contributed 19% and 12% respectively, of Wells Fargo's revenue and earnings



High Return on Capital
Wealth & Investment Management
FY2017 Return on Equity of 21% ⁽³⁾

(1) Asset balances as of March 31, 2018. Brokerage and Wealth Management assets include Wells Fargo Funds holdings and deposits. (2) Total Wealth & Investment Management Assets are comprised of Brokerage and Wealth Management client assets ("Total Wealth & Investment Management Clients Assets") and assets under management under Wells Fargo Asset Management. Wells Fargo Funds holdings held in Brokerage and Wealth client assets excluded upon consolidation of assets. (3) Return on equity (ROE) measures the operating segment's net income applicable to common shareholders as a percentage of average operating segment allocated common equity.

Results in 2017 build on strong performance

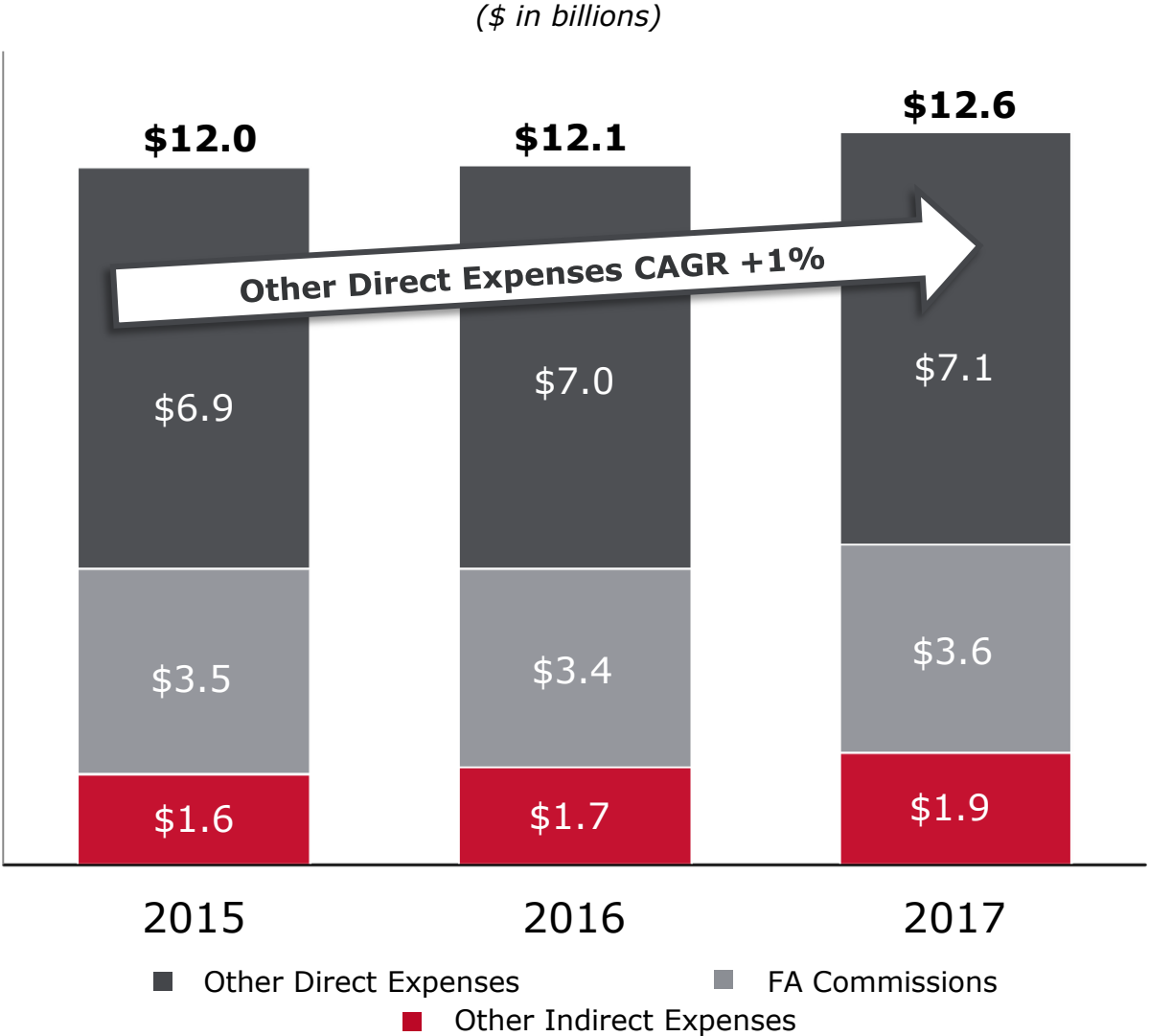


(1) Total Client Assets reflect Brokerage and Wealth assets, including Wells Fargo Funds holdings and deposits. (2) Recurring revenue is defined as net interest income and fee revenue predominantly earned based on discretionary and non-discretionary client asset values across the Wealth & Investment Management businesses.

Operating efficiently

Expense discipline is a key component of how we achieve financial targets and fund investments in the business

- Strong track record of expense discipline
- Commission expense consistent with sales revenue growth
- Indirect expenses include Enterprise Regulatory and Compliance spend



Capturing Strategic Opportunities



Addressing a changing landscape

Wealth & Investment Management is adopting strategies to meet the varied and changing expectations of our clients and to drive profitable growth

Drivers

Client expectations

Strategies

Demographics

Professional, tailored advice when, where and how the client wants it

- **Segment differentiation**
- **Expanded delivery and distribution**
- **Workforce evolution**

Technology

Simple, intuitive and innovative experiences

- **Online investing capabilities + expert advice**
- **Simplified integrated digital experiences**
- **Efficiency through automation and shared platforms**

Competition

World-class service and value that reflects a deep knowledge of client goals and aspirations

- **Investment thought leadership**
- **Scale and reach in distribution**
- **Data and insights capabilities**

Regulation

Transparency, security and trust

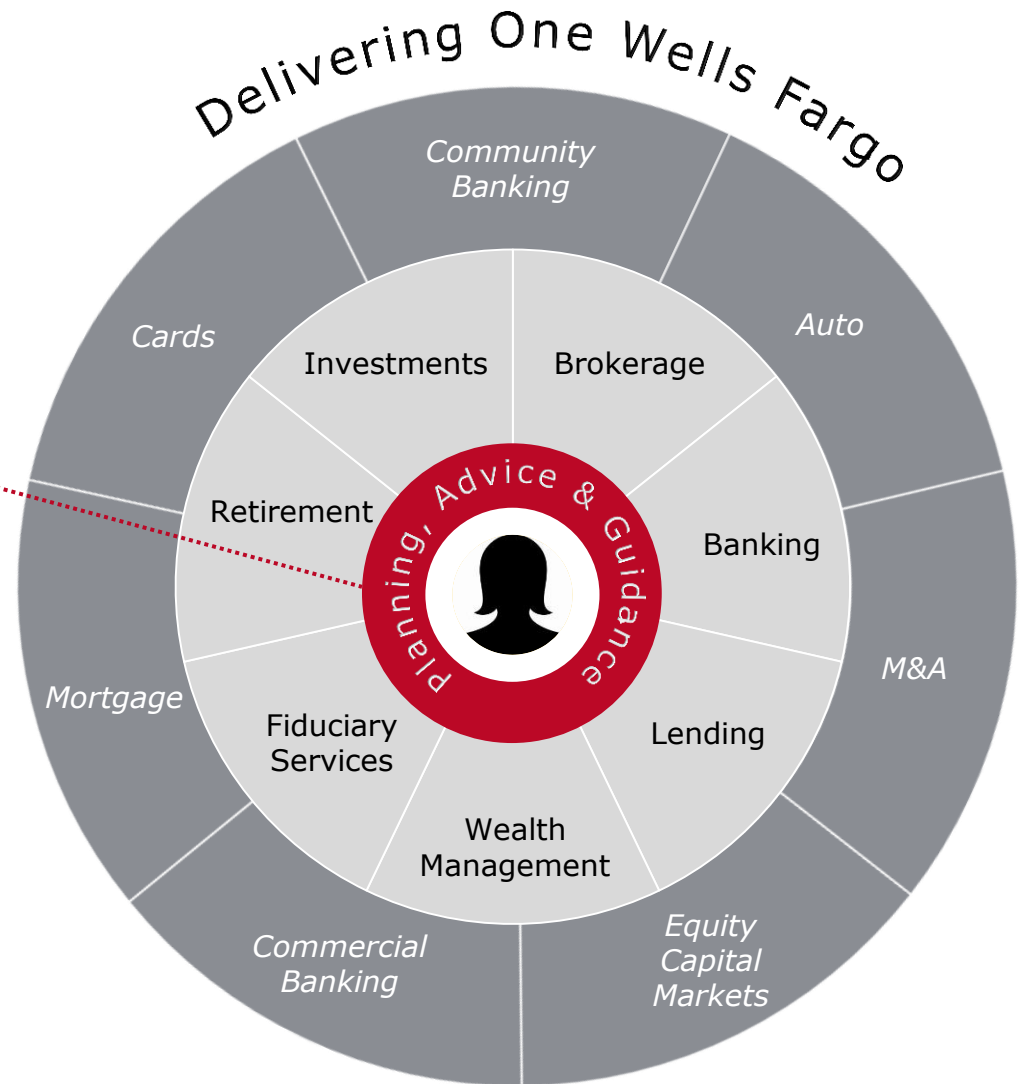
- **Alignment of client needs and services**
- **Real-time information and client service**
- **Risk standards, processes and governance**

An integrated offering tailored to the client

Goals-based planning is the first step in achieving client goals and performance outcomes



- Understand client goals
- Develop and implement a plan to drive to desired outcomes
- Engage investment, wealth and banking professionals based on client's needs
- Provide best-in-class service



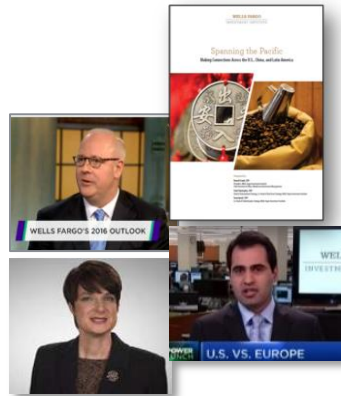
A strong foundation in investment intellectual capital

Wells Fargo Investment Institute is focused on developing and delivering the highest quality investment strategy, research and advice to help our clients succeed financially

Cultivating investment excellence

- Unified strategy, research, insights, asset allocation and portfolio management
- Centralized portfolio management functions for 200+ investment model portfolios
- Open platform with timely, objective, actionable, customizable advice
- Performance aligned with risk objectives

WELLS FARGO
INVESTMENT INSTITUTE



Driving performance

High conviction research, strategy and execution

- **61%** of funds on our manager research list outperformed their Morningstar peer groups
- **87%** of our actively managed globally allocated portfolios outperformed their complex benchmarks

Foundational strengths and focus

Continued focus on deepening capabilities, talent and platforms; growing investment management offering and ability to satisfy evolving client outcome-based needs

Building a brand around investing

- Two Gramercy awards for financial marketing content
- 1000+ media references annually
- 1000+ reports published annually
- 5000+ reports shared with clients daily

Data as of December 31, 2017.

Advancing our brokerage model...

Mass

Emerging affluent

Affluent

High net worth

We continue to focus on advice and planning capabilities to deliver better outcomes and experiences for all of our clients

Business focus

Delivering on client standards



Best practices around advice and service for clients that result in better outcomes and higher levels of satisfaction and loyalty

Building on core foundational capabilities

- Envision®
- Plan-to-Pie®
- Enhancing digital capabilities: planning, advice, documentation and client reviews
- Focus on professional investment advice and discretionary solutions from the Wells Fargo Investment Institute

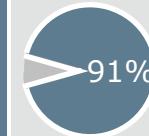
Outcomes

Loyalty: Better client service and advice leads to more loyal clients



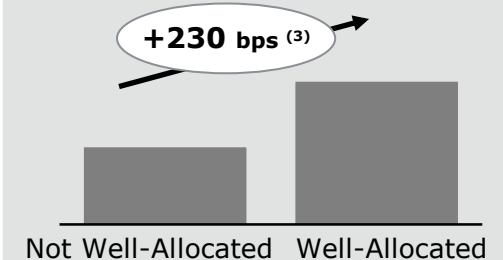
88% of clients report being loyal to Wells Fargo Advisors ⁽¹⁾

Plan: Planning leads to more confident clients



91% of clients with a plan feel they have the guidance necessary to succeed financially ⁽¹⁾

Perform: Better returns for well-allocated portfolios aligned to investment objectives and risk tolerances ⁽²⁾



(1) 2017 Client Listening Program. (2) The definition of well-allocated is a measure of how closely a client's actual asset allocation aligns with his/her strategic asset allocation; being well-allocated increases the probability of a client achieving his/her investment goals. (3) Outperformance is the difference between the 1 year return of the well-allocated accounts net of fees, versus the 1 year return of the not well-allocated accounts net of fees, measured as of December 2017.

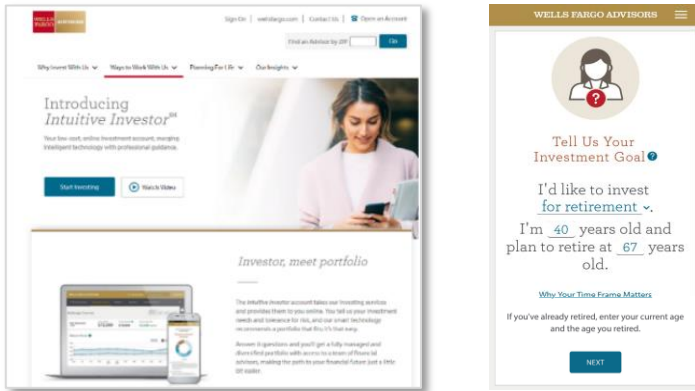
...and our delivery channels



We are focused on attracting next generation investors and adding new, next generation talent to our existing force of financial advisors

New business models

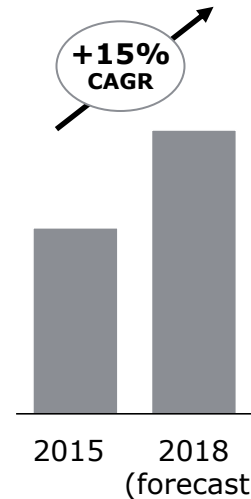
Launched Intuitive Investor® in 4Q17



Our long-term "robo" strategy to deliver scalable digital investment + human advice

New advisor programs

Increasing next generation talent (2)



Associate Financial Advisors

- Serving affluent and high net worth clients, where a junior Financial Advisor is mentored in a best practices team

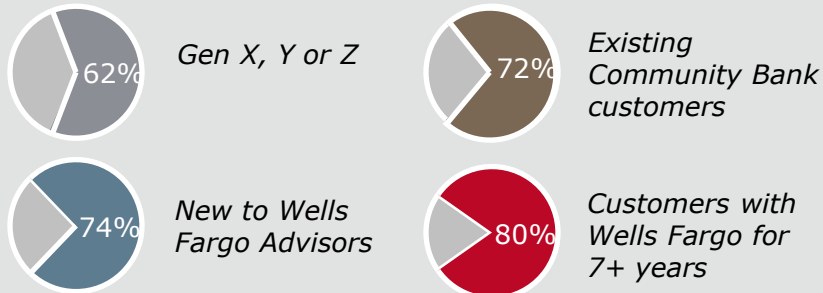
Financial Relationship Advisors

- Serving emerging affluent clients by a salary / bonus advisor with a more prescriptive service and advice offering

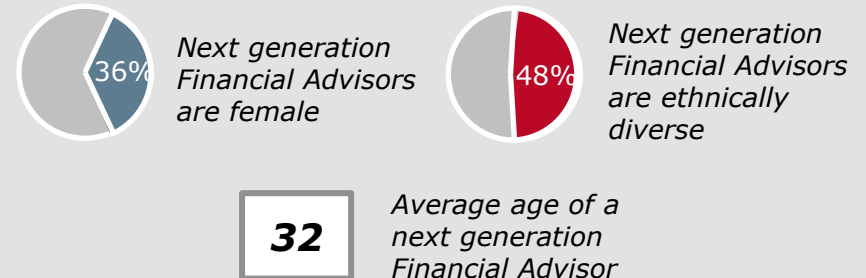
Digital Financial Relationship Advisors

- Serving mass market clients with Intuitive Investor® with access to phone-based advice

Attracting the clients we are designing for (1)



More diversity among our next generation advisors (3)



Data as of March 2018. (1) Wealth & Investment Management Analytics. (2) Wells Fargo Advisors Finance. (3) Wells Fargo Advisors Next Generation Talent Programs.

Differentiating for high net worth clients

High net worth

Ultra-high net worth

Sophisticated platforms and innovative solutions address the full spectrum of our high net worth and ultra-high net worth clients' needs through a personalized experience

WELLS
FARGO

THE PRIVATE BANK

High
net
worth

Ultra-
high
net
worth

ABBOT DOWNING

Progress since 2017 Investor Day

- Increased the threshold for The Private Bank to \$2.5MM and maintained Abbot Downing at \$50MM for ultra-high net worth segment
- Expanded partnership with Wholesale
- Enhanced our investment platforms with innovative solutions
- Continued and increasing positive contribution to operating leverage
- Launched Institute for Family Culture: first of its kind innovation in support of the role the family plays in ultra-high net worth wealth management

Strategic focus areas

Unparalleled client experience

Optimized resource management

Institutional-grade ultra-high net worth offering

Key enablers

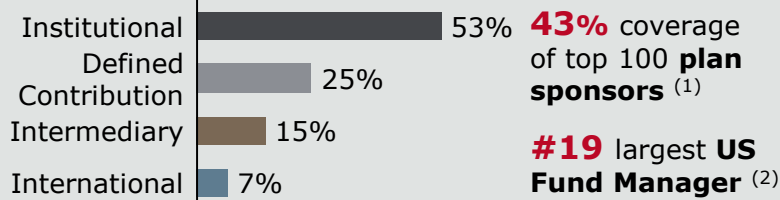
- Client-to-advisor ratio geared to bespoke experience
- Custom credit, cash management and other liquidity solutions
- Full range of wealth planning solutions
- Local experts available in all major markets; new national service models under development for less complex clients
- Expanding our practices devoted to multi-generational wealth
- Institutional asset management platform, outsourced chief investment officer service, foundations and endowments

Revitalizing Asset Management

We are reinforcing our position as a diversified asset manager and driving growth

Diversified client base

AUM by client type (1Q 2018, %)

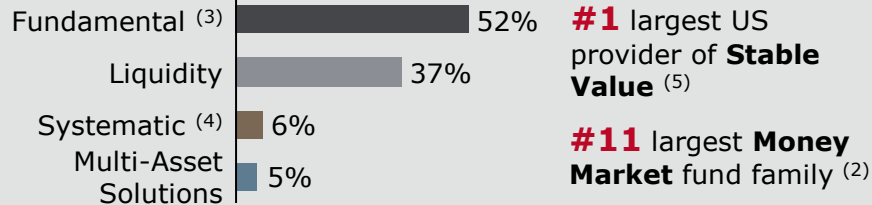


AUM \$497B

43% coverage of top 100 **plan sponsors** ⁽¹⁾
#19 largest **US Fund Manager** ⁽²⁾

Diversified investment capabilities

AUM by asset type (1Q 2018, %)



#1 largest US provider of **Stable Value** ⁽⁵⁾
#11 largest **Money Market** fund family ⁽²⁾

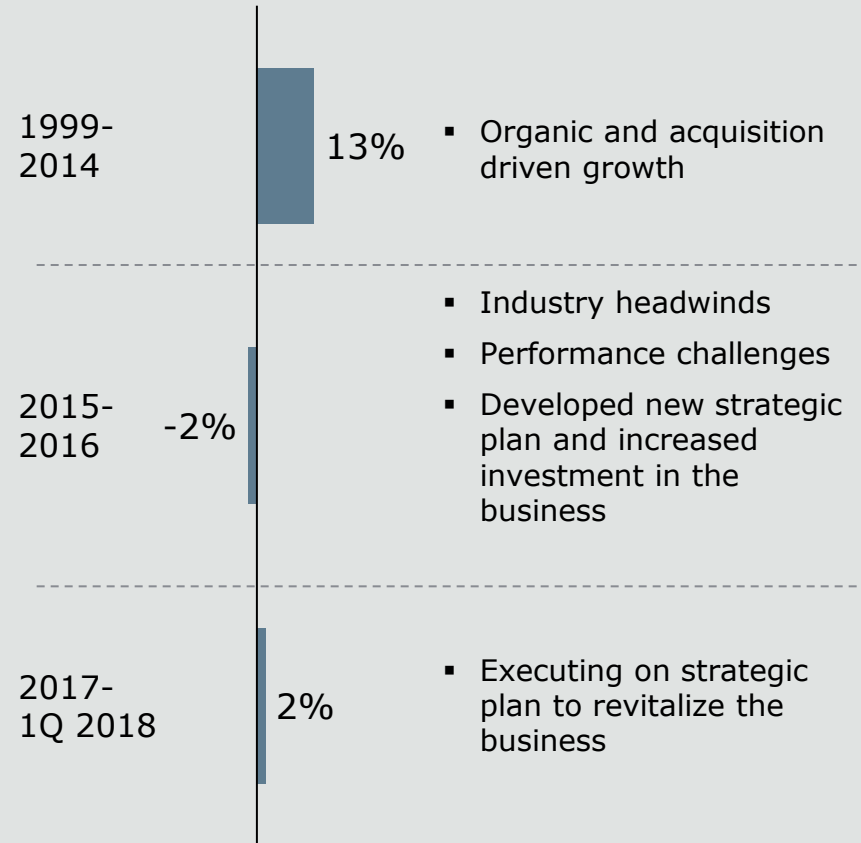
Strong performance

Peer percentile ranking ⁽⁶⁾ (1% = highest; 10 Year, ending 2017; asset-weighted)



Growth is recovering





AUM CAGR (1Q 2018, %)



Data as of March 31, 2018 unless otherwise stated. (1) Pensions & Investments and internal analysis; September 30, 2017. (2) Morningstar Direct. (3) Fundamental defined as non-quantitative long term strategies (4) Systematic defined as quantitative factor-based strategies. (5) eVestment Alliance. (6) Returns and risk-adjusted Sharpe ratio rankings based on long-term Wells Fargo Asset Management assets reported through eVestment Alliance excluding affiliate marketed Galliard and Rock Creek strategies, and asset-weighted; December 31, 2017.

Performance, capabilities and service

We are investing significantly in the business

	Areas of long-term focus	Progress since 2017 Investor Day
 Client outcomes & performance	<ul style="list-style-type: none">Continually improve on the consistency and strength of client outcomes <p>Top 38% Top 35% Top 25%</p>  <p>3Y 5Y 10Y</p> <p>Peer risk-adjusted percentile ranking ⁽¹⁾ <i>(1% = highest, ending 2017; asset-weighted)</i></p>	<ul style="list-style-type: none">Centralized Fixed Income researchBegan utilizing quantitative and machine learning analyticsRefreshed 50%+ of our multi-asset lineup
 Investment capabilities	<ul style="list-style-type: none">Develop additional investment capabilities in:<ul style="list-style-type: none">Multi-Asset SolutionsSystematicAlternatives & Private Markets	<ul style="list-style-type: none">Launched 12 new product strategiesCreated largest industry factor-based target date seriesHired 40+ new professionals
 Client service & delivery	<ul style="list-style-type: none">Collaborate across Wells Fargo lines of businessAlign distribution more effectively with client needsEnhanced client experience	<ul style="list-style-type: none">Reorganized distribution channelsHired 10+ new sales professionals

(1) Risk-adjusted Sharpe ratio rankings based on long-term Wells Fargo Asset Management assets reported through eVestment Alliance excluding affiliate marketed Galliard and Rock Creek strategies, and asset-weighted; December 31, 2017.

Meeting clients' retirement needs

We are broadening our institutional retirement offerings, advice solutions and digital services to create lifelong Wells Fargo relationships

Institutional Retirement

Mission

Help America's diverse workforce prepare for a better retirement

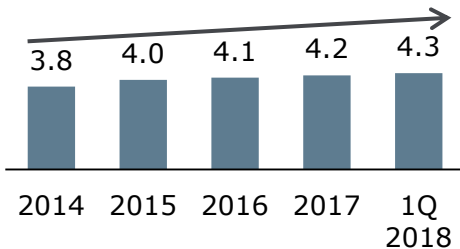
Vision

Be the trusted advisor to improve financial health from the first day of work through retirement

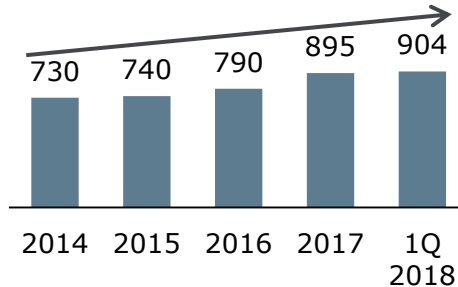
- #7 Defined Contribution Recordkeeper ⁽¹⁾
- #9 Defined Benefit Provider ⁽¹⁾
- #5 Executive Benefit Provider ⁽¹⁾

Participant and asset growth

Year-end plan participant counts (MM)



Recordkeeping and custody assets (\$B)



Thought leadership and innovation

- *Target My Retirement* brings personalized, cutting-edge investment strategies at a competitive price
- Proprietary research enabled a 42% increase in Wells Fargo's Plan Health Index over the last 5 years ⁽²⁾

Partnerships and distribution

- Employing Local Market Approach
- Exploring additional innovations with Wells Fargo Asset Management
- Increasing Wholesale Bank coverage

⁽¹⁾ PLANSPONSOR magazine (June 2017, June 2016, May 2016). ⁽²⁾ Wells Fargo Institutional Retirement and Trust's 2017 Driving Plan Health report.

Delivering One Wells Fargo

Our internal partnerships have enabled us to serve our clients' full range of financial needs and expand our businesses through a client-first approach

Consumer partnerships

Client focus

- Mass
- Emerging affluent
- Affluent
- High net worth

Outcomes

Our services to Consumer Banking clients

- ~\$10.5B in closed referred investment assets in the last year ⁽¹⁾

Consumer Lending's services to our clients

- \$6.8B in referred mortgage balances ⁽²⁾

Growth focus

- Affluent away outreach
- Intuitive Investor[®] for new investors
- Virtual relationship team

Wholesale partnerships

Client focus

- High net worth
- Ultra-high net worth
- Institutions

Outcomes

Our services to Wholesale's C-Suite clients

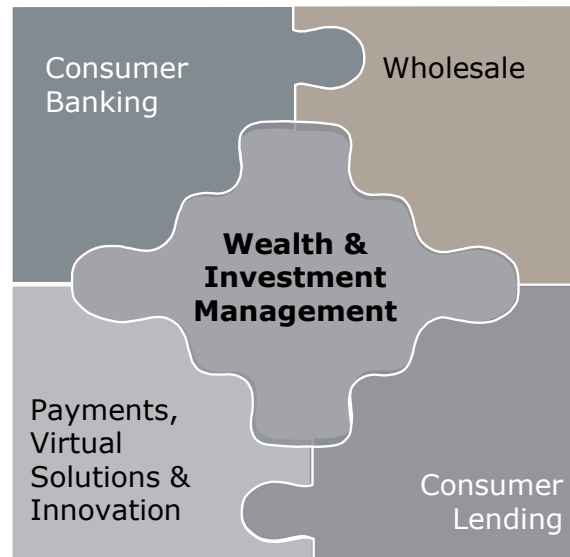
- ~\$750MM AUM from executives advised by investment bankers since 2015 ⁽³⁾

M&A to Wealth & Investment Management clients

- Transactions across multiple industries and geographies averaging more than \$400MM per transaction ⁽⁴⁾

Growth focus

- Increased coordination (e.g., "roadshows")
- Growing syndicate distribution



⁽¹⁾ Closed referred investment assets for 2Q17 through 1Q18. ⁽²⁾ Based on balances referred 2Q17 through 1Q18. ⁽³⁾ Based on data 1Q15 through 1Q18.

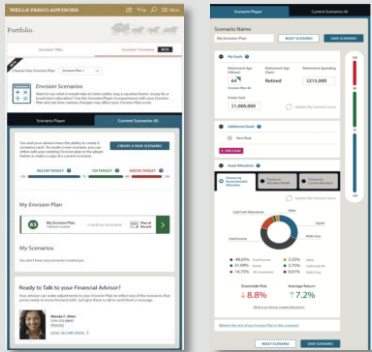
⁽⁴⁾ Based on sell-side transactions closed 2Q17 through 1Q18.

Investing in the future

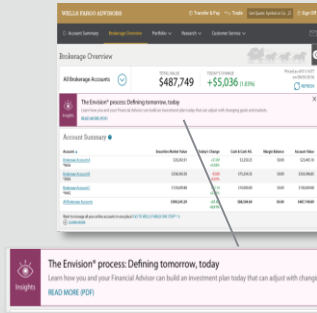
We are leveraging digital to enrich client relationships, focus our team members on highest value activities, and improve the efficiency/efficacy of our foundational systems and processes

Building new experiences

Envision “what if” scenario planning for clients



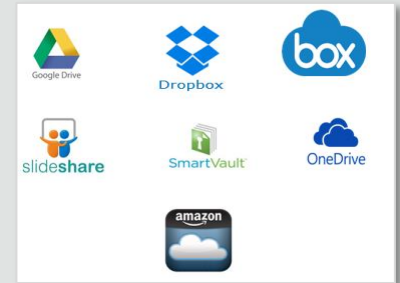
Personalized experience based on Predictive Insights



Mobile text messaging for clients

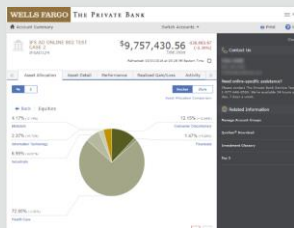


Secure cloud-based document sharing



Enhancing our digital “baseline”

Expanded digital money management



Dashboard for 401(k) plan participants



Reimagined delivery of Asset Management solutions



Modernized cross-platform capabilities, platforms and processes

Positioning for efficiency and growth



Driving transformation and cost savings

Targeting run rate savings of ~\$600 million by 2020

Reimagining our business and reshaping delivery

- Optimizing businesses based on client segmentation - \$400MM
- Driving operational efficiencies through Business Process Management and robotics, offshoring expansion and client self service - \$60MM
- Creating centralized “utilities” to be leveraged across the business while reducing reliance on third parties (e.g., project management, other operations) - \$120MM
- Other opportunities - \$20MM

Example: Optimizing businesses based on client segmentation - \$400MM

- Driving better coordination and client service across our businesses through improved operating alignment:
 - Optimizing field management structure, operations and infrastructure
 - Enhancing our service to client segments
 - Improving field risk supervision and business development processes
 - Enhancing segment-led value propositions
 - Better leveraging support partners

Continued progress towards long-term targets

	2017 Results	Long-Term Targets
Revenue Growth	5%	4-6%
Recurring Revenue ⁽¹⁾	82%	80%+
Pretax Margin	26%	30%
Return on Equity ⁽²⁾	21%	25%+

(1) Recurring revenue is defined as net interest income and fee revenue predominantly earned based on discretionary and non-discretionary client asset values across the Wealth & Investment Management businesses. (2) Return on equity (ROE) measures the operating segment's net income applicable to common shareholders as a percentage of average operating segment allocated common equity.

Biography





Jonathan Weiss

Senior Executive Vice President Wealth & Investment Management

- Jon started his career with Wells Fargo in 2005. Beginning in 2014, he served as president and head of Wells Fargo Securities (WFS). From 2008 to 2014, he was co-head of the Wells Fargo Securities Investment Banking & Capital Markets division.
- Before joining Wells Fargo, Jon spent 25 years at J.P. Morgan (and its predecessors) in various roles — including head of JPM’s global financial sponsor business and head of investment banking in Asia Pacific for Chase, where he was based in Hong Kong. Jon’s early career at Chemical Bank included roles in the retail industries and loan syndications and acquisition finance groups, and he was assistant representative in Chemical Bank’s Mexico City office.
- Jon earned his B.A. in Romance Languages from Princeton University. He serves on the national advisory board of Youth, I.N.C., a nonprofit based in New York City, and on the boards of One Goal–New York and the Lawrenceville School in Lawrenceville, New Jersey. He also serves as a trustee of the National Humanities Center in Durham, North Carolina. He is based in New York City.