1745 Copperleaf Ct
Concord, CA 94519
July 10, 2017

Wells Fargo & Company
420 Montgomery Street, San Francisco, CA 94104
Attention: Timothy J. Sloan, CEO
Corporate Secretary Anthony R. Augliera
MAC# D1053-300, 301 South College Street, 30th Floor, Charlotte, NC 28202
investorrelations@wellsfargo.com BoardCommunications@wellsfargo.com

Re: Shareholder Proposal on Executive Compensation Reform

Dear CEO and Secretary:

Enclosed please find my shareholder proposal for inclusion in our proxy materials for the 2018 annual meeting of shareholders and a letter of my shares ownership. I will continuously hold these shares until the 2018 annual meeting of shareholders.

Please set an email account to receive shareholder proposals, as the SEC and many other companies do. This will make certain that a proposal can be submitted on the same date of the confirming letter of the shares.

Should you have any questions, please contact me at 1-925-643-5034 or zhao.cpri@gmail.com.

Yours truly,

Jing Zhao

Jing Zhao

Enclosure: Shareholder proposal, Shares ownership letter

Shareholder Proposal on Executive Compensation Policy Reform

Resolved: shareholders recommend that Wells Fargo & Company engage multiple outside independent experts or resources from the general public to reform its executive compensation policy with social responsibility.

Supporting Statement

A socially responsible executive compensation policy is essential to corporate social responsibility. Wells Fargo does not have a compensation committee. “The HRC [Human Resource Committee] retained FW Cook to provide independent advice on executive compensation matters for 2016.” (2017 Proxy Statement, p.59). It is obvious that a paid consulting firm cannot provide any independent voice which the company does not want to hear. For example, Apple Inc. wasted the company money to hire a consulting firm to advise Apple to award the same $1,000,000 salary, the same $20,000,105 stock and the same $4,000,000 non-equity incentive plan compensation each in 2015 to its five named executive officers. The current Wells Fargo executive compensation policy is not socially responsible, as shown from the case of the forfeited $41 million from the former CEO. It does not include social elements beyond the narrow market consideration, such as the rising of the CEO-worker pay ratio, to measure the executive compensation.

“A man must always live by his work, and his wages must at least be sufficient to maintain him.” (Adam Smith, *The Wealth of Nations* “Book 1 Chapter 8 Of the Wages of Labour,” 1776.) However, citing Economic Policy Institute, the Wall Street Journal reported: "The ratio has ballooned since the 1970s: The bosses of America’s 350 largest companies made on average 276 times the money of their rank-and-file subordinates in 2015, up from 30 times in 1978." ("CEO-Worker Pay Ratio Generates Outrage—And Some Insight" by Stephen Wilmot, July 6, 2017) Furthermore, "Summary compensation tables massively understate what executives earn and don't tell investors what they need to know." "In 2015—the last year for which full data is available—the average pay of the 500 highest-paid U.S. executives was $17.1 million according to fair-value estimates, but $32.6 million according to realized pay." ("Better Ways to Measure Your Boss’s Pay" by Stephen Wilmot, July 4, 2017.) This rising trend of inequality is not only socially immoral but also economically unsustainable.

For the purpose of this proposal, the HRC has the flexibility to select multiple independent experts or sources and social elements, such as the CEO-worker pay ratio of Wells Fargo and the average employee’s pay, the minimum wage, and jobless rate of America. For example, Intel accepted my advice and organized three meetings to receive true independent insights from outside experts (including an UN officer, a federal officer, an Australian professor, a British journalist, an activist, NPO researchers, a lawyer, and shareholders) to review its human rights principles and employee’s code of conduct policy.