

Resolved: Shareholders request the Board of Directors provide a report to shareholders, at reasonable cost and omitting proprietary and confidential information, outlining the effectiveness of Wells Fargo’s policies, practices, and performance indicators in respecting internationally-recognized human rights standards for Indigenous Peoples’ rights in its existing and proposed general corporate and project financing.

Whereas: The UN Declaration on the Rights of Indigenous Peoples and International Labour Organization Convention 169 concerning Indigenous and Tribal Peoples in Independent Countries are internationally-recognized standards for Indigenous Peoples’ rights.¹ Violation of these rights presents risks for Wells Fargo that can adversely affect shareholder value, including reputational damage, project disruptions, litigation, and civil and criminal liability.² Wells Fargo has a history of financing projects and companies that violate Indigenous Peoples’ rights, notably as a lead financier of the Dakota Access pipeline in 2016, which resulted in two cities withdrawing \$2 billion in assets from the bank.³ Several years later, Wells Fargo provided over \$3.86 billion in financing to Enbridge, enabling the widely opposed Enbridge Line 3 and Line 5 pipeline reroutes.⁴

Enbridge Line 3’s construction and operation violate numerous Indigenous Peoples’ rights, including the rights to free, prior, and informed consent (FPIC); self-determination; health; culture; religion; security; and assembly.⁵ Similarly, Indigenous leaders from the Great Lakes tribes have called Enbridge’s Line 5 project “an act of cultural genocide.”⁶ A 2023 ruling found that Line 5 was operating illegally on Bad River Band territory since 2013 and ordered Enbridge to pay over \$5 million and to cease operating Line 5 on the reservation by 2026.⁷ Michigan Governor Whitmer canceled Enbridge’s certification in 2020, citing “Enbridge’s historic failures and current non-compliance” as jeopardizing the safety of residents and the environment.⁸ Significant material social risks have already materialized for Enbridge and its financiers through litigation, ongoing opposition led by Indigenous Peoples, allegations of civil rights abuses, treaty violation investigations, and environmental damages.⁹

Investor expectations on this issue are increasing, as institutions develop screens against companies with patterns of violating Indigenous Peoples’ rights.¹⁰ BlackRock’s 2021 Investment Stewardship Statement included an expectation for companies to respect FPIC in business decisions that impact Indigenous Peoples.¹¹

¹ <https://www.un.org/development/desa/indigenouspeoples/declaration-on-the-rights-of-indigenous-peoples.html> ; https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312314

² https://www.colorado.edu/program/fpw/sites/default/files/attached-files/social_cost_and_material_loss_0.pdf ; <https://amazonwatch.org/news/2022/0622-the-business-case-for-indigenous-rights>

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<https://www.npr.org/sections/thetwo-way/2017/02/08/514133514/two-cities-vote-to-pull-more-than-3-billion-from-wells-fargo-over-dakota-pipeline>

⁴ https://www.ran.org/wp-content/uploads/2020/12/RAN-Briefing_Line3_KXL.pdf

⁵ https://www.colorado.edu/program/fpw/sites/default/files/attached-files/cerd_request_line_3_pipeline.pdf

⁶ <https://www.theguardian.com/us-news/2021/feb/19/line-3-pipeline-ojibwe-tribal-lands>

⁷ <https://www.wpr.org/news/federal-court-arguments-bad-river-enbridge-appeal-line-5-shutdown>;

<https://www.badriver-nsn.gov/wp-content/uploads/2024/03/Handout-about-Line-5-3-pages.pdf>

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<https://www.michigan.gov/whitmer/news/press-releases/2020/11/13/governor-whitmer-takes-action-to-shut-down-the-line-5-dual-pipelines-through-the-straits-of-mackina>

⁹ <https://ictnews.org/news/enbridge-takes-the-gloves-off-in-line-5-battle> ;

<https://www.cbsnews.com/minnesota/news/judge-gives-enbridge-3-years-to-close-oil-pipeline-on-tribal-land-in-wisconsin-4/>

¹⁰ <https://amazonwatch.org/news/2022/0622-the-business-case-for-indigenous-rights>

¹¹ <https://www.blackrock.com/corporate/literature/publication/blk-commentary-engagement-on-human-rights.pdf>

Wells Fargo's Indigenous Peoples Statement is misaligned with international human rights standards for FPIC and is limited to project financing. Wells Fargo previously adhered to the Equator Principles to manage environmental and social risk. However, in 2024, it withdrew from the Principles, raising concerns that it “backpedals on commitments on climate and to vulnerable communities affected by their financing deals.”¹² Wells Fargo’s recent Invest Native initiative¹³ does not shield the company from material risk connected to insufficient due diligence on Indigenous Peoples’ rights. Effective policies protecting Indigenous Peoples’ rights are critical to meeting Wells Fargo’s commitments and mitigating material risk to shareholders.

¹² <https://www.thebanker.com/Major-US-banks-back-out-of-the-Equator-Principles-1710330460>

¹³

<https://newsroom.wf.com/English/news-releases/news-release-details/2023/Wells-Fargo-Launches-20-Million-Invest-Native-Initiative-for-Native-American-Communities/default.aspx>