

**WELLS  
FARGO**

The  
**Vision & Values**  
of Wells Fargo



Our product:  
**SERVICE.**

Our value-added:  
**FINANCIAL ADVICE.**

Our competitive advantage:  
**OUR PEOPLE.**

Richard M. Kovacevich  
Chairman & CEO



**T**his marks the 14th year our company has been guided by the Vision and Values in this booklet. We believe in this vision just as strongly—we embrace these values just as passionately—as we did the first time we formally put them on paper in 1993.

*A lot has changed in the world and our industry since that time. There was virtually no e-mail or internet back then and we were only one eleventh the size we are today. But our vision, our financial services focus, our business model, our strategy, our values, our commitment to outstanding sales and service, our belief in people as a competitive advantage, our stretch goal*



*of double-digit revenue growth, our strategic initiatives—none of that has changed. In fact, our unchanging values and time-tested business diversity are, more than ever, a competitive advantage as our industry evolves and consolidates.*

*If our vision and values continue to guide us, if we don't change them because some fad comes along, if we improve them every day by learning and sharing with each other, if we listen to our customers—then solving every problem, seizing every opportunity, and making every decision will be relatively easy.*

## **The “Next Stage”: Going For Great**

This is about the “Next Stage” for you and our company. It's about who we are, where we're headed and about how you—as a valued Wells Fargo team member—can help us get there and share in our collective success.

We are a big company. We're the largest financial institution headquartered in the western U.S. We span all of North America. Our stock market value exceeds \$110 billion. *Forbes* ranks us as the world's 26th leading company based on a composite of sales, assets, profits and market value. We're in the top 20 among all U.S. companies in profits and market value. We're one of America's 40 largest private employers, with more than 155,000 team members. We'll continue to grow—not to become bigger but as a result of getting better.

Regardless of how big we are and how much territory we cover, we share, as one team, certain values that hold us together wherever we are and whatever we do. It doesn't matter what our responsibilities are, our levels or titles, what businesses we're part of, or where we live and work. We all should know our vision. We all should know how we contribute to achieving that vision. We all should be passionate about our values and share them with others. We believe everyone on our team is important and deserves respect. We believe everyone contributes to Wells Fargo being known as one of America's great companies.

## **Where We're Headed: Our Vision**

So, this is about our vision for being one of America's great companies. This is not a task. It is a journey. Every journey has a destination. To get to that destination, you need a vision. Ours is an ambitious one: *We want to satisfy all of our customers' financial needs, help them succeed financially, be the premier provider of financial services in every one of our markets, and be known as one of America's great companies.*

By many measures, we're already a great company. A *Fortune* magazine survey ranks us America's "most admired" large bank. *Barron's* ranks us the best financial services company in the world. We're the only "Aaa"—credit-rated bank in the United States, the highest rating possible from Moody's Investors Service. How do we become known as great in all measures? It requires a total focus on the customer, partnering as

one Wells Fargo to earn 100 percent of every customer's business. It requires extraordinary execution—the key to success. A well-conceived strategy is important, but I could give our strategic plan to our competitors and not worry about it—because it's all about execution. A second-rate strategy perfectly executed will beat a first-rate strategy poorly executed every time. Our journey to great requires persistence, consistency and determination. We've focused on this vision and executed against our business model for nearly two decades, but there's still much to learn, much to teach, much to share, and much to do.

## How Do We Picture Success?

To realize our vision, let's picture how we want our team members, customers, communities, and shareholders to view us.

**Known by Our Team Members** We'll be known as a company that believes in people as a competitive advantage, a great place to work, an employer of choice, a company that really cares about people, where teamwork is valued and rewarded, knows the value that a diverse work force can bring, that encourages innovation: new and better ways of serving customers. In hiring, we really don't care how much a person knows until we know how much they care. Our team members will say, "I chose the right company. I'm valued. I'm rewarded. I'm recognized. We work hard but we have fun, too. I can improve my professional skills here. I can reach my career goals. I enjoy my work." Our people will be highly motivated, self-starters. They'll all "run it like they own it." They'll be winners. Our team members are our most important constituency because they're the single most important influence on our customers. We're proud to compete in an industry that is central and indispensable to the growth of our national and local economies—an industry where we can make a fair profit and still do good for our customers and communities at the same time. As team members, we'll be proud that our work helps make Wells Fargo one of America's most

successful and admired companies. This will result over time in a higher stock price that will benefit all of us because virtually all of us own stock in our company either directly or through our industry-leading 401(k) plan.

**Known by Our Customers** We want to be known by our customers as a financial partner, for outstanding service and sound financial advice, satisfying all of their financial needs, helping them succeed financially. Our customers—external and internal—are our friends. They’re the center of everything we do. We make decisions from the customer’s perspective. We want them to feel a part of our team. We want them to rave about our service to their families and friends. The greatest honor a customer can pay us is to give us more of their business. Our customers will see us not just as their bank but as their financial services company, able to satisfy all their financial needs. We operate over 80 different businesses but to our customer’s we’re “one Wells Fargo.” They’ll come to us and stay with us because we have the best people, give them the most choices, and because the more business they bring us the better deal and more value they’ll get. They’ll say, “We want to do all our financial business with Wells Fargo.” They’ll expect us to ask about their lives, their plans, their dreams and their future needs. They’ll expect us to offer them products and services that work well together to help them meet those needs. They’ll come to us for personal, hometown, responsive, friendly service. They can use any distribution channel when, where and how they want: our stores, ATMs, phone banks, internet and kiosks. We’ll be the best financial partner for both their personal financial needs and their business financial needs. We’ll know who they are. We’ll protect the confidentiality of private information about them. We’ll know what they want. We’ll respect their time. We’ll make it easy for them to adjust their portfolios, access their funds, and move money to meet their financial needs. They’ll know we care.

**Known by Our Communities** We’ll be regarded as the premier financial services company in each of our

markets. We'll promote the economic advancement of everyone in our communities including those not yet able to be economically self sufficient, who have yet to share fully in the prosperity of our extraordinary country. We'll be known as an active community leader in economic development, in services that promote economic self-sufficiency, education, social services, the arts, and the environment. The Office of the Comptroller of the Currency rates our bank "Outstanding" for community reinvestment, the highest rating possible, earned by less than one of every five national banks. Just one example of our leadership: I don't know of any other company in America that's doing a better job of personal finance education than Wells Fargo. With the help of students and teachers, we've designed a new curriculum (in English and Spanish) for online financial literacy called "Hands on Banking®" which can be accessed through the internet at [www.handsonbanking.org](http://www.handsonbanking.org).

We expect our team members to be community leaders. They have the major voice in deciding how Wells Fargo responds to the unique needs of their own communities. Wherever you go across Wells Fargo territory you'll see our team members rolling up their sleeves—on community fund raising campaigns, non-profit boards, and community events. We'll provide:

- financial capital (cash contributions)—we're one of corporate America's top 10 largest givers, ranking ahead of peers who are two to three times our size,
- human capital—caring, energetic team member-volunteers, and
- social capital—leaders at the table in business and community partnerships

**Known by Our Shareholders** We'll be known as a great investment. We'll have financial results—among the very best in the financial services industry and the entire *Fortune* 500. We'll be a leader in our industry in return on equity, return on assets, and growth in revenue and profitability. Over the past two decades, for example, both our revenue and profit have increased at double digit annual compound rates and

our stockholder return increased at an annual compound rate of over 20 percent, about twice that of the S&P 500. Our stock will be among the best performers in any industry. Wells Fargo, for example, the past 20 years has had the second highest total stockholder return (up more than 3,900 percent) among all S&P 500 companies that were part of the S&P 500 20 years ago and still are part of the S&P 500 today.

## What Is Wells Fargo?

**We're a Financial Services Company**—large, diversified, dynamic, growing and innovative. We're much more than a bank. Banking is not a stand-alone industry anymore. It's a sizeable part of a much larger, faster growing industry: financial services, which has annual revenue exceeding \$2.5 trillion. That's about five times larger than the traditional banking segment. The financial services industry is among the largest, fastest growing, most fragmented industries in the world. Financial services companies now comprise more than one fifth of the S&P 500. The national economy is cyclical. The stock market goes up and down but the financial services industry grows consistently over time because money never decreases. It just moves . . . in response to macroeconomic cycles and customer life cycles. Can you name another industry that never goes down and only goes up, forever? How many people do you know who don't want more money? Even billionaires want more money! We can have enough food, books, e-mails, routers and cars but people, our potential customers, will never have too much money! Our share of deposits in some of our banking states is more than 25 percent but our market share of all of our customers' financial assets often is less than five percent!

We're convinced the marketplace will put a higher value on financial services companies, such as Wells Fargo, than on traditional banks. One important measure of a company's performance is its P/E ratio, its stock price divided by its earnings per share. There's absolutely no reason why the stock of a financial

services company such as Wells Fargo—with talented team members, two decades of annual compound double-digit increases in revenue, profits and stockholder return, the only “Aaa”-credit rating among banks, return on equity of around 20 percent, and a well-balanced base of financial businesses that can generate consistent earnings through all economic cycles—shouldn’t have a P/E at or above the average for all S&P 500 stocks. At this writing, we’re now selling at about a 30 percent discount to the S&P 500. That’s not good enough. We expect to be at, if not exceed, the S&P 500 P/E ratio in the future.

**We’re a Distributor**—delivering a wide variety of commodity-like products through a proprietary system of channels: traditional stores, supermarket stores, ATMs, phone banks, internet, and mail. Every channel our customers want. Every product our customers need. Anytime our customers choose. We aggregate. We integrate. Most products we produce ourselves. Some, like insurance and certain mutual funds, are produced by others. We give customers choices. I’m not aware of another financial services company that delivers a wider variety of products and services through as many channels as does Wells Fargo. Our goal—through great service and sound advice—is to earn all our customers’ business. We differentiate ourselves not so much by product features, but by the way we deliver the product. *Our product is service. Our value-added is financial advice. Our competitive advantage is our people.* They’re better. They’re smarter. They care more than our competitors’ people.

We decided to become a large, diversified financial services company—much more than a bank—delivering a broad product line across a wide geography for four reasons:

*First*, for our customers, who like getting a better deal, more value and greater convenience, by giving more of their business to Wells Fargo.

*Second*, for business growth, driving more revenue through our large, fixed-cost distribution network,

thus earning higher profit.

*Third*, for our owners, to achieve consistent double-digit earnings by diversifying our risk and revenue stream.

*Fourth*, for our team members, who have lots of career opportunities to achieve their full potential, in any place they choose to live.

### **If It's Right for the Customer It's Right for Wells Fargo**

Our customers go from net borrowers early in life to net investors later in life. From life insurance to investments, from secured credit to unsecured credit. Our job: provide sound financial advice for customers—and create new wealth for them—as they move from one financial product to another. If we do what's right for the customer, then it will be right for Wells Fargo. We focus not on products but on customer needs. For example, our job is not to sell mortgages. It's to help our customers buy homes. Our job is not to sell mutual funds or annuities or 401(k) plans, it is to help our customers save for retirement, pay for their children's college education, or start a new business.

**Responsible Lending** This is a perfect example of how we do what's right for customers. We want to build long-term relationships including those whose credit history may not qualify them for traditional prime rate loans. Wells Fargo Home Mortgage and Wells Fargo Financial have five principles for responsible lending:

1. Pricing on all loans is fully disclosed and competitive, reflecting a complete view of the customer's finances, credit history, characteristics of the transaction and property involved.
2. Wells Fargo will make enough information available to the customer to encourage an informed decision.
3. Points and fees are capped to maintain competitive loan pricing based on the consumer's finances and credit history.
4. Every real estate loan, made through our mortgage or consumer finance non-prime lending channels, must provide a demonstrable benefit to the customer or we won't make the loan.

5. We make diligent efforts to determine that customers have a high likelihood of repaying a loan before they commit to it.

We have an excellent track record of helping our borrowers stay in their homes even when financial difficulties arise. Our delinquency and foreclosure rates are significantly lower than the industry average. It's totally contrary to our vision and values to attempt to sell a customer any product or service that's not in his or her best long-term interests. Time and again our customers tell us they recognize and appreciate the value of the service we provide them; the most significant way they do this is by giving us more of their business.

**Customer-Centric, not Product-Centric** Our strategy is not product-centric it's customer-centric—selling all the financial products a customer needs. When a customer brings us more business, all sorts of good things happen:

- we can give them a better deal.
- they stay with us longer.
- they give us more opportunities to sell them more.
- we know more about them and their financial needs.
- we earn more profit per customer.

**Organized Around Our Customers** We organize our company around customers. We have three major customer segments:

- individuals
- small businesses
- large businesses

We divide these customer segments into two major groups: Community Banking (for individuals and small businesses) and Wholesale Banking (for larger businesses). We deliver all the products these customers use through stores, phone banks, ATMs and the internet. We integrate customers, products, and channels in our geographies in a way that's seamless to the customer. We do not want to offer our customers—

especially new customers—just one product at a time. We want to offer them packages of products that save them time and money, such as:

**Wells Fargo Packs:** at least four products such as a checking account, credit card, debit card, a home equity loan, market rate savings account, and online banking—more than half our new checking account customers now purchase a Wells Fargo Pack.

**Portfolio Management Account:** a financial management account including checking, brokerage, trusts, and loans that combines all a customer’s Wells Fargo accounts into one monthly statement;

**Home Asset Management Account:** combines a mortgage and home equity line of credit into one account to manage cash flow, gain potential tax advantages, plan for major expenses, and invest;

**Business Service Packages:** combine checking accounts, deposit and credit services, payroll and merchant services at a lower price than if a small business customer were to buy those same products separately.

**How We Make Money** All of us should know how our company makes money. Here’s how we do it:

**We grow revenue:**

<b>Make loans</b>	<b>+ Interest income</b>
<b>Sell investments, insurance, and operating services</b>	<b>+ Fee income</b>
<b>We take risks</b>	<b>– Provision for loan loss/ or charge-offs</b>
<b>We receive deposits</b>	<b>– Interest expense</b>
<b>We keep what’s left</b>	<b>+ Total income</b>
<b>We invest in our people</b>	<b>– Salary/benefits expense</b>
<b>Our people need systems, space, computers</b>	<b>– Non-interest expense</b>
	<b>– Net operating income</b>
<b>Uncle Sam gets his share</b>	<b>– Tax expense</b>
<b>Our goal: double digit net income growth</b>	<b>NET INCOME</b>

## Our Strategy

A succinct way to summarize our strategy is we strive to “*out local the nationals and out national the locals.*” We must offer better products, more channels, superior technology, and a broader product line than our smaller, community-based, local competitors, so we can be the financial services provider of choice for all of our customers’ financial needs. We also must outperform our larger, national competitors by staying close to our customers in each of our communities, understanding their needs, and providing professional, personalized, timely service. We strive to earn 100 percent of every customer’s business (consumer and commercial)—with a broad product line including banking, investments, insurance, mortgages, consumer and commercial finance, venture capital, and commercial real estate. We reward customers for buying more services.

**Cross-Selling**—or what we call “needs-based” selling—is our most important strategy. Why? Because it is an “increasing returns” business model. It’s like the “network effect” of e-commerce. It multiplies opportunities geometrically. The more you sell customers, the more you know about them. The more you know about them, the easier it is to sell them more products. The more products customers have with you, the better value they receive and the more loyal they are. The longer they stay with you, the more opportunities you have to meet even more of their financial needs. The more you sell them, the higher the profit because the added cost of selling another product to an existing customer is often only about ten percent of the cost of selling that same product to a new customer. This gives us—as an aggregator—a significant cost advantage over few products or one channel companies. Cross-selling re-invents how financial services are aggregated and sold to customers—just like other aggregators such as Wal-Mart (general merchandise), Home Depot (home improvement products) and Staples (office supplies).

## **We've Over Five! Shooting for Six! Going for Gr-eight!**

We have the highest cross-sell levels in our industry. It now takes two hands to count our cross-sell ratio. In retail banking, our cross-sell ratio is over **five** products per household, almost **six** for customers who've been with us for three years or more. This is about double the industry average. Our average Wholesale Banking customer has almost **six** products with Wells Fargo. Our average middle market commercial banking customer has over **seven**. Some of our Regional Commercial Banking Offices are averaging close to **ten** products per customer. It's working! But we still have a long way to go. The average banking customer has about **16** financial services products.

## **One Wells Fargo!**

Financial services is the ultimate team sport. There are more than 155,000 of us serving 23.6 million retail households; another 1.3 million wholesale and small business companies. We have 150 different products; and 84 different businesses. None of us can know everything about everything. Customers don't expect that. What they do expect is one Wells Fargo. Our systems, technology and *Wells Fargo Phone Bank*<sup>sm</sup> centers must work well and seamlessly across all our 80+ businesses. Our goal to make this happen for our customers is to be common where possible, custom where it counts. As successful as we've been, it is still too difficult for a customer to find the right team member quickly or the right channel to answer their question or satisfy their financial need. We have to fix that! Our customers need to see us as a "one click" financial services provider:

- One click—to help our team members serve them easier.
- One click—to get them to the team member best able to satisfy their needs.
- One click—one signature—to get a loan, not ten.
- Reducing the clicks, or keystrokes for our tellers—deleting any part of any process that does not add value for the customer.

Today, customers don't feel we're one click. Too often, they get behind the curtain and see the plumbing and wiring, and they experience that we're not always connected. No matter when or where a customer contacts us, we should be able to reasonably get that customer to the team member best able to serve them. Quickly and easily.

Every day our customers say to us—"Know me. Know who I am. Know what I need. When I come into the bank or go online or use your Phone Bank or ATM, have all my accurate information there about my accounts. Don't ask me the same questions again about my information that you already have and don't transfer me to someone else who might do the same thing." They say—"Understand me. Understand what I want to accomplish, understand my goals." They say—"Appreciate me and all the business I do with you. Treat me like a friend. Thank me. Reward me. If I give you more of my business, then give me a better deal and give me better service." Everything we need to know about a customer must be available easily, accurately and securely, as fast as the best internet search engine.

All of us need to share our knowledge with our teams and learn from each other. We should take pride in teaching, learning, and in sharing best practices. We should recognize and reward those who transfer knowledge quickly and effectively, so that our teams can use it to satisfy all our customers' financial needs. No one has a monopoly on knowledge any more. Customers will do business with those who share their personal values, who they connect with emotionally, and who will help them prosper financially. Our customers want to do business with—in fact, they *insist* on doing business with—a company that looks like them, speaks their language, is sensitive to their culture and values what they value.

Information is key to helping customers succeed financially. Our customers see us as one brand not a

bunch of separate businesses. Customers come to us because they expect our businesses to work together to help them with all their financial needs. They expect and deserve a better deal when they give us more of their business. To do this, we need to share customer information among our businesses to better understand how we can satisfy their needs. Customers shouldn't have to shop all over town and get countless statements from different companies to meet their banking, insurance, investments, and mortgage needs. We do not sell information about our customers to third parties nor do we share it with outside parties who may want to market their own products to our customers. Our customers come to us because they trust us. They trust us to protect their confidential information. They trust us to use that information to provide them with products and services that can save them time and money. We're committed to protecting their information. We've been doing it for 155 years!

**Fundamentally, What Do We Sell?** Our product is service. Our value-added is financial advice. Our competitive advantage is our people. At Wells Fargo, sales and service are inseparable. More sales do not always lead to better service but better service almost always leads to more sales. Money is a commodity. We're in the service business. Service is not a commodity. It's value added. The talent of our people and their sound financial advice sells products. The quality of our service keeps customers coming back for more. We intend to distinguish ourselves from our competitors in two important ways.

*First*, we want to be advocates for our customers. We want to put them at the center of everything we do. We want to give them such outstanding service that they will give us all their business, honor us with repeat purchases and rave about us to their families, friends and business associates. *Second*, we want to understand their needs so well, give them such sound financial advice that we will help them become financially successful. They then will reward us with

more of their business. We want every one of our consumer households and business customers to buy an average of at least eight products from us, compared to a little over five today.

**The Quality of Our Customer Experience** is our single biggest opportunity for revenue growth and a higher stock price. What does the entire customer experience at Wells Fargo feel like to our customers? When they come to us with problems, how fast do we fix them? How often does a Wells Fargo team member—the first point of contact for the customer—take personal responsibility to make sure the customer’s problem is fixed? Do we make it easy for our customers to learn more about the full array of our products and services—and if not, how can we make it easier for them?

In an average year, we used to lose almost one of every five of our customers! Today it’s about one of every seven. We’re improving, but we still have a long way to go. We don’t want them to just come in the front door, spend some time on the porch and lose them out the back door. We want them to visit with us in the kitchen so we can have a conversation with them, understand their financial needs, and help them succeed financially. Our goal is to cut in half the number of our customers who leave us every year. How do we do that? Simple.

**“Wow!”** We have to “wow!” them. We know what that feels like because we’re all customers. We go to the cleaners, the grocery store, a restaurant or whatever, and we find a situation where we’re “wowed!” We walk out and we say, those people really listened to me and helped me get what I need. All of us hear stories about customers, say, who pick a certain line at the supermarket because they know the person who bags the groceries connects with customers —smiles, greets regular customers by name, asks how their families are doing. When a personal banker helps a customer in one of our stores, or when a customer

gets help from one of our phone bankers or does transactions on wells Fargo.com we want them to say, “That was great. I can’t wait to tell someone.” We want every customer to say “I didn’t know I could get service like that. She made a difference. He solved a problem and helped me understand how I can achieve my goals. I learned something new about my financial health.”

“Wow!” can be as simple as a warm smile at the teller line, the friendly, helpful voice of a phone banker, a responsive answer to a question, a full profile of a customer’s financial needs or as sophisticated as an interest rate swap. We’re only as good as our first impression and last connection. This is all about culture and attitude.

We believe there are 11 attributes of service that make our customers say wow!—we call them our 11 Ways to Wow! –

**“Welcoming”**

- you make me feel at home.
- you care about me.
- you make me feel special.

**“Delivering value”**

- you give me the right advice.
- you provide me value.
- you keep your promises.

**“Following up and building relationships”**

- you help me when I really need it.
- you know me.
- when you make a mistake you make things even better.
- you thank me.
- you reach out to me.

We have three customer goals. *First*, we want at least 75 percent of our customers, who recently bought a financial product, to have done so with Wells Fargo. *Second*, we want a majority of our customers, when surveyed, to say they consider Wells Fargo the best financial institution in their community. *Third*, by

“doing it right for the customer,” we want the experience we provide our customers to exceed their expectations all the time. We want to surprise and delight customers with such great service that they’ll recommend us to their friends and relatives.

**Our Financial Goals** *First*, a conservative financial position measured by asset quality, accounting policies, capital levels, diversity of revenue sources; and dispersing risk by geography, loan size, and industry. We want such a strong balance sheet that our customers would put their money in our banks even if there was no FDIC insurance. *Second*, annual double-digit growth in earnings and revenue. *Third*, return on assets over 1.75 percent and return on common equity at around 20 percent.

**Our Revenue Goal** The key to the bottom line is actually the top line! The key to consistent double-digit profit growth is double-digit revenue growth. If both occur, our stock price should double over time. Success for Wells Fargo looks to me like a “triple double”: Double-digit revenue growth = Double-digit profit growth = Double-digit stock price growth. A triple double!

If I had to select only one goal to achieve, it would be double-digit revenue growth because the most important measure of service, sales and customer engagement is revenue growth. When customers vote with their pocket books, we know we’re doing something right. When customers rave about our service, they’ll give us more of their business, increasing revenue. They’ll refer new customers to us. They won’t leave us. They’ll stay with us forever.

**Our 10 Strategic Initiatives** To achieve our vision, we have 10 strategic initiatives. By succeeding in these initiatives, we’ll achieve double-digit revenue and earnings growth and be known as one of America’s great companies:

**1. Investments, Brokerage, Trust and Insurance** This is a prime example of “going where the money is.”

At year-end 2005, about 15 percent of our banking earnings came from investments, brokerage, trust and insurance—over double where we were a few years ago—but it’s still not good enough. We must increase that to at least 25 percent. Less than five percent of our 11 million banking households have relationships with our brokerage business. Less than two percent buy insurance through us.

**2. “Going for Gr-Eight”** Our average banking household has five products with us, our average Wholesale Banking customer almost six, and our average middle-market, commercial customer, almost seven. We want to get to **eight** for each of these categories. Even when we do, we’ll still have huge cross-sell opportunity ahead. The average banking customer, for example, has about 16 products.

**3. Doing it Right for the Customer** Our product is service and advice. We want to be advocates for our customers, put them at the center of everything we do and give them such outstanding service and advice that they will give us all their business, honor us with repeat purchases and rave about us to their family, friends and business associates.

**4. Banking with a Mortgage and a Home Equity Loan** We want all our mortgage customers in our 23 banking states to bank with us. We also want all our banking customers—who need a mortgage or a home equity loan—to get it through Wells Fargo. About eight of every ten of our banking households that have a mortgage have it with one of our competitors. Only about 21 percent of our mortgage customers have a home equity loan with us.

**5. Wells Fargo Cards in Every Wells Fargo Wallet** Every one of our creditworthy customers should have a Wells Fargo credit card and debit card. Only one of every three of our banking customers have a credit card with Wells Fargo. Nine of every ten have a Wells Fargo debit card.

**6. When, Where and How** As a national leader in distributing financial services, we offer customers more choices than any other company—traditional stores, supermarket stores, ATMs, Phone Banks, internet and mail—when, where and how they want to use them.

Very few, if any, customers are single-channel users. We integrate these channels so we can offer all our products and services through all of them—any time, anywhere our customers want to be served. Our customers do almost as many transactions through our ATMs as they do with our tellers. Nearly 60 percent of our checking account customers use the internet to access their financial products. (1998: 6.4 percent!) It took us four years to get our first million consumers online. We now attract about a million new online customers every year. We now have more than 7.7 million active online customers.

**7. “Information-Based” Marketing** We must take full advantage of what we know about our customers’ needs so we can offer them the choice, convenience and price benefits of giving us all their business. We use technology not to de-personalize service but to personalize it. Thanks to technology, we know how many products each customer has with us. We know which products customers have and what they might need. We can predict the products they’ll most likely need—based on account balances, life events, transaction history, and how they access Wells Fargo. With that knowledge, we can tailor sales messages through our Phone Banks, ATMs, wells Fargo.com and statement mailings. The winners in financial services will be companies that know the most about their customers’ needs, obtain that information least expensively, treat it respectfully, use it most effectively, and attract new customers most efficiently.

**8. Be Our Customers’ Payment Processor** Banking is necessary. Banks are not. Banks traditionally have been the intermediary in the billions of transactions among consumers, businesses and the government. That role, however, is not a birthright. We need to make sure Wells Fargo adds real value so we can be the intermediary—electronic or paper—whenever and wherever our customers buy services and the payments link for our customers among all their Wells Fargo accounts. We earn about 30 percent of our revenue through payment services such as checks, credit cards, cash, securities, direct deposit and wire transfer. We must maintain our position as our customers’ first

choice for payment processing. Processing digital images of checks, rather than paper ones, reduces risk and saves money by avoiding the costly transport of paper checks from hand to hand and institution to institution. Our new Desktop Deposit<sup>sm</sup> process lets our commercial customers process paper checks right from their office. It's the biggest electronic advance in check processing since the revolutionary MICR (Magnetic Ink Character Recognition) code in the late 1950s.

**9. Premier Customers** We must attract more—and keep all our current—premier and excellent customers. We also need to aggressively cross-sell households that have the potential to become premier customers. We must focus even more on closing the “back door”—reducing, by half, the number of customers who leave us or give us less of their business. The past three years, our premier and highest value clients have increased by 47 percent.

**10. People as a Competitive Advantage** Most importantly, we must do even better in training, rewarding and recognizing all our team members. We must build an inclusive work environment and a diverse organization. All members of our team should know they're valued, that they can go as far as their ability and desire to work hard will take them. We must be a company that encourages a healthy balance between work and home life. Our success has as much to do with attitude as aptitude—what's in our hearts not just our heads. Our success depends on how much our team members care for their customers, for each other, their communities and our stockholders. People commit themselves to other people, not organizations. Processes are important but they don't do the work. People do. Because we believe in people as our competitive advantage, we'll continue to invest in our “human capital.” It's the most important, valuable investment we can make. Our team members are the single biggest influence on our customers. If our team members have a great attitude, run their business as if they own it, are accountable for results, are given the tools and training to get the job done, are recognized and rewarded for their accomplishments, and have fun

at work, then chances are their customers will be happy and satisfied too. In Regional Banking, for example, our ratio of engaged to actively disengaged team members now is almost six to one—versus 2.5 to one three years ago (National average of all workers measured by a Gallup survey: 1.7 to one.)

**Our Competitive Advantages** To succeed in our industry, a company has to have sustainable competitive advantages in seven key areas: geography, products and businesses, distribution, sales and service culture, efficiency, brand, and most important, people. We're strong in all of them:

**Geography** We're a national company in wholesale banking, insurance, mortgage lending, and consumer finance. The 23 states in the Midwest and Western United States in which we distribute our full range of financial services products—from Ohio to Alaska—are among the fastest growing markets in the world's best economy. Our community banking franchise includes a leading presence in 12 of the nation's 20 fastest growing states: Alaska, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah, and Washington. Fifty percent of the projected population growth, the next several years, is expected to come in those states.

**Products and Businesses** Our product line is the broadest and most extensive in our industry. We rely less on lending than most of our peers. Forty-two percent of our revenue comes from fees for mortgage servicing, treasury management, insurance and other operating services. We're a national leader in many products:

#1, #2 or #3 in deposit market share among banks in  
15 Western states,  
USA's #1 retail mortgage originator and #2 servicer,  
USA's #2 mortgage lender to low-to-moderate income  
home buyers,  
USA's #1 home equity lender,  
USA's #1 small business lender,

USA's #1 financial services distribution network with 6,200 stores,  
USA's #1 supermarket banker with more than 700 in-store banks,  
USA's #1 and first internet bank,  
USA's #1 agricultural lender,  
USA's #1 insurance broker owned by a bank-holding company and world's 5th largest insurance brokerage,  
USA's #1 NAFTA bank (more banking stores and banking assets than any competitor within 60 miles of Mexico and Canada),  
North America's #1 securitization trustee,  
USA's #2 largest commercial real estate lender,  
USA's #2 largest debit card issuer,  
USA's #2 largest automobile lender (excluding carmakers),  
USA's #3 largest ATM network,  
USA's #3 largest correspondent banker,  
USA's #4 in deposits,  
USA's #4 student loan lender among all banks,  
USA's #4 largest mutual fund manager among all banks,  
USA's #4 largest lender among banks to middle-market companies,  
One of North America's premier consumer finance companies.

**Distribution** We have the best, most extensive, multi-channel distribution system in our industry. Our goal is to use it to offer value-added, integrated, multi-channel solutions to build relationships with households and businesses. Our customers can use any channel they want, any time they want. We have one of our industry's largest network of stores, more than 6,200, and 6,500 ATMs. In the United States, we have 27 percent more stores than Starbuck's, 75 percent more than Wal-Mart, 125 percent more than Gap, 200 percent more than Home Depot and 344 percent more than Target. We have more supermarket banking stores than any of our competitors. Our customers call

our Phone Banks over 250 million times a year. We're the first, the oldest and the best internet online financial services provider in the U.S. with more services to a broader group of consumers and businesses than any competitor. We have a full line of products available online to meet all the financial needs of every one of our customers including consumers, investors, small business, middle market, and larger corporations. We have more than 7.7 million active internet banking customers. We want wells Fargo.com to be known as the best, integrated "trusted gateway" for all our customers' financial services.

**Our Sales Culture** We have one of the industry's strongest sales cultures. We offer customers a broad product line and a better deal for giving us more of their business. We inspect what we expect. We rank all our banking stores on four key sales measures—core sales per day, profit per day, customer cross-sell, closed referrals, and customer service. At Wells Fargo Financial, our consumer finance subsidiary, we measure our store managers by profit, receivables gain, team member productivity, and people development. At Wells Fargo Home Mortgage, we measure our mortgage consultants by the number of loans they originate, the dollar value of those loans, and most importantly, customer satisfaction ratings. We expect all Wells Fargo businesses to collaborate, to be partners—referring all their customers to all our other businesses. We expect to sell at least one more product to every customer every year.

**Efficiency** We're known for efficiency and speed to market with new products and services. We expect our revenue to grow about twice as fast as our expenses—resulting in improved efficiency every year. Our ability to add more value from scarce resources is the result of a "run it like you own it" and "know the numbers" culture. Operating expenses are tightly controlled but not at the expense of "doing it right for the customer."

**Brand** We're one of only a handful of U.S. companies whose current business stems from its company's founding and legend. We're 155 years old, one of only about a dozen U.S. public companies still in its founding business under its founding name. Our brand and the stagecoach are time tested, among the most widely recognized consumer symbols in the world. The stagecoach is the visual representation of our values. It stands for speed, reliability, service, safekeeping, innovation, trust and for "coming through" for customers—wherever they live and wherever they want to go. In that sense it truly is a "living" brand. Our team lives those values every day. Our brand—an implied promise of trust and consistent quality—is as indispensable for a national financial services company as it is for a national retailer. As customers use electronic channels more and more, our brand is even more critical to help reinforce our reputation as a trusted gateway.

**People** Our most important value is this: we believe in people as a competitive advantage. We strive to find the best people from a diversity of backgrounds and cultures, give them the knowledge and training they need, allow them to be responsible and accountable for their businesses, and recognize them for outstanding performance. Products and technology do not fulfill the promise behind a brand—people do, people who are more talented, more motivated, more energized than their competitors. We believe our people will out-execute our competitors every time because they care more than our competitors do. While we do this, we expect to have fun, too.

This is the core of our culture. Culture means knowing what to do in the morning without having someone tell you what to do. We want to comply with not just the letter of the law but the spirit of the law. People as a competitive advantage should be that instinctive. It's the starting point of every decision we make. When our people are in the right jobs, spending time on the right things, managed well, feeling good about their contributions, fully using their skills and learning new

ones, and having fun—they'll do it right for the customer. When they're properly incented, rewarded, encouraged, and recognized—they're even more satisfied with their jobs, they will provide better service, generate more sales, and produce even better business results. This generates more revenue—which results in greater profit—which fuels a higher stock price.

**Financial Services—a Team Sport** Our company has more than 80 businesses, so winning all our customers' business is a team sport. The star of our team . . . is the team! We're a circle not a hierarchy. At the center of the circle—our customers. Alongside them—our customer-contact team members. Farther out in the circle are our managers. At the outside of the circle are senior managers, like me. All of us partner together to do the best job we can for our customers. We have 84 businesses and hundreds of products. Customers don't expect any of us to know everything about everything—no one can do that. They do expect us to be One Wells Fargo.

Some people say loyalty to a company is a thing of the past. We don't believe that. People want to believe in their company, feel connected. Don't we all? But, people will believe in their company only if they believe their company believes in them—if their company values them and their contributions—if their company appreciates the complexity and diversity of their lives—if their company tries to find other jobs for them if their positions are eliminated—if they're offered opportunity and challenge and, most important, if that company lives by its vision and values.

**Acquisitions** Most of our growth comes from earning more business from current customers but we also grow through acquisitions. Our acquisition rules are simple: Buy only what you understand. Use conservative assumptions. Acquire only what will benefit stockholders. We look for economies of skill not just economies of scale. We understand that we get bigger by being better. We do not get better by being

bigger. When we acquire a company, the most important assets we buy are its customers and the people who sell and serve those customers. By adding Wells Fargo's culture, product line, sales, service, and training, we usually can double the products sold to acquired customers within five years, thus adding significant value for stockholders. It's a lot like buying a store and doubling its sales per square foot—a very profitable endeavor. By acquiring companies in geographies or businesses where we already have a high, fixed-cost presence, we become even more productive and efficient. The group head or business manager responsible for buying a company is accountable for its success. "The person who buys it, runs it." Acquisitions can increase profitability. They also can diversify risk, increase market share, and enable us to enter new markets. We use a detailed process to analyze every acquisition opportunity. It must add to earnings per share no later than the third year after purchase and earn at least a 15 percent internal rate of return. The acquired company and its people are integrated quickly and smoothly into the Wells Fargo culture. In banking, for example, we pair each location of an acquired company with a similar Wells Fargo store or business. These "buddy bankers" help instill the vision and values of Wells Fargo and guide the new company through the transition. Our priorities for newly-acquired companies are the same as those of any other Wells Fargo business: first, get control; second, achieve acceptable profitability; third, grow the business and have fun succeeding.

**How We Use Technology** Technology enables our customers to control when, where and how they want to be served. It also is the single most important cause of the convergence of the financial services industry. It made possible the internet, electronic commerce, customer profiling, risk management tools, asset securitization and derivative products. It also gives our customer-contact team the power to be easily self-sufficient in using information to earn 100 percent of every customer's business. Technology is essential for cross-selling, targeted marketing, protecting the

confidentiality of information about our customers, pricing products and services to deepen relationships, analyzing customer profitability, controlling costs, creating new products and services and providing superior service—including self service, any time, anywhere.

Technology, alone, does not give us a competitive advantage. What's important is the creativity and speed with which we use it. We like to buy available systems or work with others, even potential competitors, to share the cost and the risk of developing new systems. Our operations people play a very key role in service. Once our customer-contact people have sold a product, our operations teams help us deliver outstanding service for the product day after day.

## What Are Our Values?

We want all team members to know our values so well that if we threw out all the policy manuals, we would still make decisions based on our understanding of our culture. These are our values:

**Ethics** Maintain the highest standards with customers, team members, stockholders and our communities:

- Value and reward open, honest, two-way communication.
- Be accountable for, and proud of, your conduct and your decisions.
- Only make promises you intend to keep—do what you say you'll do.
- If things change, let people know.
- Avoid any actual or perceived conflict of interest.
- Comply with the letter and the spirit of the law.

**Customer Satisfaction** Consider the customer in all we do:

- Exceed the expectations of internal and external customers—surprise and delight them.
- Do what's right for the customer.
- Talk and act with the customer in mind.
- Build long-term customer relationships.
- Treat customers with care.

**Leadership and Personal Accountability** Every team member contributes to our success and should:

- Take prudent risks.
- Lead by example.
- Make decisions locally, close to the customer.
- Know your numbers.
- Consider customer, shareholder, team member and community needs when making decisions.
- Care about each other.

**Diversity** Respect differences among team members, customers and communities:

- Earn mutual trust by supporting our corporate values for diversity.
- Take advantage of different perspectives.
- Support the diversity of our team members, customers and communities.
- Leverage diversity as a competitive advantage.

## **Corporate Governance: Everyone's Responsibility**

Honesty, trust and integrity are essential for meeting the highest standards of corporate governance. But they're not the responsibility of just our senior management and our board of directors. We all share that responsibility. All 155,000 of us. Corporations don't have a conscience. People do. Corporate ethics is the sum total of the thousands of ethical decisions all of us make every day. If you really want to find out how strong a company's ethics are, you watch how its people act. Examine the ethical decisions they make every day. That's the true measure of effective corporate governance. This is even more important in the financial services industry because everything we do is built on trust. Our customers trust all of us to protect their money. They trust our tellers to make transactions accurately and promptly. They trust our bankers to recommend the right products and services for their needs. They trust our financial consultants to give them the right financial advice. They trust our mortgage salespeople to manage their application process completely, accurately and as quickly as possible. They trust all of us to keep their private

information confidential. Honesty, trust and integrity often are the only things that distinguish us from our competitors in the minds of our customers. Even the value of our stock is built on the faith and trust of our investors in the future.

**Compliance** is key to our outstanding reputation. It's at the very heart of corporate governance. All of us with Wells Fargo—from our Board to our tellers—have an important responsibility to be vigilant and committed to compliance—especially the Bank Secrecy Act and anti-money laundering laws. We want compliance to be a “want to do” not just a “have to do.” We want to comply not just with the letter of the law but the spirit of the law. To that end, our new central function for compliance and risk management is binding the concepts of risk management and regulatory compliance more tightly into our culture—as a natural extension of our code of ethics. We continue to be a decentralized company—giving our folks closest to the customer as much responsibility and accountability as possible—but we're doing a much better job of sharing best practices and learning from each other in compliance and risk management.

**Our Environmental Commitment** We want to be a leader in this important area of corporate citizenship. We want to be environmentally responsible stewards—always learning—in every community in which we do business—promoting economic prosperity *and* a clean environment. We've adopted due-diligence procedures and practices for middle-market and large corporate customers in environmentally sensitive industries. We've adopted the Equator Principles, based on World Bank and International Finance Corporation guidelines, to improve environmental and social risk management. We've created an external Environmental Advisory Board including customers in the energy and forestry industries, and environmental experts from academia and non-profit organizations. We've also committed to:

- provide, by 2010, \$1+ billion in lending, investments, and other financial commitments to

environmentally beneficial business opportunities;

- expand opportunities for customers to qualify for energy-efficient mortgage products and will look for partnerships and other opportunities to encourage green home construction and development; and
- increase efforts to conserve resources in our own operations including company-wide recycling and purchasing programs.

Wells Fargo, alone, is ultimately responsible and accountable for its ethical behavior, business practices, lending decisions, and risk management. The company cannot compromise its credit policy and credit decision-making—including decisions on which companies or industry sectors it decides to do business with.

**Voice of the Team** To encourage open, honest, two-way communication, we survey our team members regularly to find out how they feel about their jobs and their company. Our team members' attitudes have the most influence on our customers and are a leading indicator of our ability to provide outstanding customer service and earn more of our customers' business. About four of every five of our team members—in our Voice of the Team surveys—say they like their work and know how their work helps Wells Fargo. We'll continue to survey our team members and respond to their concerns.

**Be a Leader** Leadership is key to sustainable success. It is not the exclusive domain of senior managers. All of us are called to be leaders. All of us are called to be the link between the vision of Wells Fargo and our customers. Leadership is the ACT of establishing, sharing and communicating a vision of the future and the ART of motivating others to embrace, believe in, and align with that vision. Leaders are accountable for failures. They give others the responsibility and satisfaction for success. A good leader inspires a team to have confidence in him or her; a great leader inspires a team to have confidence in themselves.

Team members who are responsible and accountable can act faster than their competitors. When a customer is waiting for an answer, they have to be able to respond to them fast, on the spot. That's a competitive advantage. They don't wait for an answer from headquarters. They don't rely on policy manuals at that "moment of truth" when they have to come through for the customer. They're leaders. They consider themselves equal partners in a team effort to achieve a common goal. When the team needs help, the leader pitches in just like everyone else, involved, hands on and available, not a remote giver of orders. They each take personal ownership for a customer's problem and don't let go until that problem is solved. No one tells them to do it. They just do it.

Leaders at Wells Fargo don't sit in their offices waiting for reports to arrive. They don't necessarily excel at any one specialty. They don't have all the ideas or all the answers. They don't rely on authority or force of personality. They believe in the inherent knowledge and talent of each person. They believe that people have the answer to every problem and every opportunity. They empower their people to develop ideas, test them, quantify the results, and then share the good ones with our other businesses and functions throughout the company. The best leaders are coaches.

**Best Practices** We learn from each other. That's one of the advantages of being big. We share ideas, give ideas, find ideas, and copy ideas from whoever has them. We're always searching across the company for "Best Practices"—finding the single best way to do something and adopting it wherever it applies—to improve the customer experience, keep customers, attract new ones, increase revenue and reduce expenses. The "Best Practices" process enables us to learn which stores, regions and businesses are the best performers in certain areas. We then adopt what they've learned and propagate those "Best Practices" in as many other parts of the company where they apply. We subscribe to the Darwinian philosophy of success: it's not the strongest or most intelligent who

will survive the challenges of the future but those who best adapt to change. By being common where possible and custom where it counts, we can take full advantage of the knowledge and experience of all our businesses and the creativity of our 155,000 team members across a \$492 billion asset company.

**Developing, Recognizing Team Members** It's not enough to have talented people. We all need to grow and develop. Each year, we invest millions of dollars for training to increase knowledge, support continuing education, develop management and leadership skills, provide mentoring and coaching, and find challenging new assignments. At Wells Fargo, career development is a shared responsibility. We're expected to take charge of our own career development. We need to understand the skills required for the next job and then find ways, with our supervisor's help, to develop those skills. There's another important way we influence behavior. We use, extensively, America's most neglected motivator—recognition. If someone's doing a good job, tell them! We can never do enough of it. Try this—give so much recognition to your team members for a job well done that it actually becomes counter-productive. You can't!

**Retaining Our People** It's a fact of life. Jobs are always changing, going away, or being added to meet customer needs. A company has a responsibility to its stockholders and its customers to eliminate duplicate jobs and operate as efficiently as possible, while still maintaining outstanding customer service. That doesn't mean, however, that we have to lose good people and their experience, loyalty, and commitment. New jobs are being created virtually every day somewhere in Wells Fargo. We can take advantage of this natural growth, about five percent a year, and natural turnover, which is significantly higher than that. We want to take advantage of the skill, experience and loyalty of affected team members by helping those, whose jobs have been eliminated, try to find positions elsewhere in the company.

**The Importance of Diversity** We cannot be one of America's great companies unless we become more diverse. It's a tremendous business opportunity—because it enables us to use creativity, fresh thinking and multiple perspectives to respond fast and effectively to emerging customer needs. We want all our team members to feel valued for their culture, skills and traits, and to know they can fulfill their ambition and contribute to the success of the company. We want all team members to feel comfortable and enjoy being part of Wells Fargo. By making diversity a competitive advantage, we can make the company a better place to work, better understand our diverse customers' needs, give customers and communities outstanding service and deliver more value to our stockholders.

Our Diverse Growth Segments team helps create and execute business strategies so we can earn more business from, among others, our Latino, Asian-American, African-American, and American Indian communities. We were, for example, the first major financial services company in the U.S. to help Mexican nationals move from the risky cash economy into our country's financial services sector—by promoting acceptance of the *Matricula* card as a primary form of identification for them to open bank accounts, and similarly recognizing consular cards from Argentina, Guatemala and Colombia.

Our company-wide Diversity Council, a cross section of team members, makes recommendations to managers and helps ensure we're making measurable progress in this area. We also benefit from 53 other diversity councils in our geographies and lines of business and 81 diverse team member networks. To further improve, we must strengthen recruiting and placement efforts. We must increase the number of people of color, women and other diverse groups in senior management. Every business and manager in our company is accountable to develop action steps for diversity. We'll continue to provide learning in diversity for all managers and supervisors.

**Six Steps to Diversity** We've also identified six steps for becoming more diverse:

1. Executive management team is responsible for diversity and creates a culture that welcomes, respects and takes pride in diversity. We hold ourselves and others accountable and encourage open, honest feedback from team members.
2. People from diverse backgrounds are in all levels of management. Managers are accountable for attracting diverse candidates and for developing and retaining a diverse leadership pipeline. We want managers to consider diverse candidates for every open position at Wells Fargo. Wells Fargo has a plan for increasing diversity in senior management.
3. We have long-term relationships with diverse communities. We use targeted marketing and advertising to build awareness of the products and services we tailor to respond to their needs.
4. We contribute to the diverse communities in which we live and work. We have a supplier-diversity program, our corporate giving benefits diverse communities and we partner with many national and community-based groups.
5. Diversity pervades all of our company communications: our intranet site (Teamworks), our company magazine (Connections), our Annual Report, our marketing materials and wells Fargo.com.
6. We're known as a diverse company. Job candidates, customers, vendors and stockholders seek out Wells Fargo because of our diverse reputation. Our team members have avenues to voice their opinions on how Wells Fargo can be more inclusive. We're recognized nationally for our diversity leadership by *Working Mother* magazine, Diversity, Inc. (which ranks us in its 20 top for diversity achievement), the Human Rights Campaign Foundation, *Latin Business* magazine, and *Hispanic* magazine. Good progress but not good enough. We can and must do better, faster. We're still not a widely-known leader in diversity in corporate America. We still do not have enough people of color at the very senior levels of Wells Fargo.

**People as a Competitive Advantage** How does a great company maintain superior financial performance while growing and responding to technology, new products and volatile markets? Should its focus be on a portfolio of businesses or products that will constantly change, reflecting market forces? No. We believe its primary focus should be a portfolio of people skills. We believe in people as a competitive advantage. These are the skills that will help us succeed regardless of economic conditions or new technology and products:

*First*, we must attract, develop, retain, and motivate a diverse team of the most talented people who care and who work together as partners across business units and functions.

*Second*, selling and cross-selling. We're all salespeople and we're proud of it.

*Third*, superb salespeople know the importance of service. Our product is service and advice. There's no sale without superb service from our entire team—from our customer-contact people to our operations centers and everywhere in between. We need to provide such consistently superior service that our customers become—as author Ken Blanchard puts it so well—“raving fans.”

*Fourth*, manage risk. To be the best in financial services, we must be the best at managing risk.

*Fifth*, effectively develop and use technology.

*Finally*, have fun. We won't be better than our competitors in sales and service unless the environment our team members work in is enjoyable and fun. The attitude of our team members, their commitment to the customer, their colleagues, the community, and stockholders is the most important difference between a great financial services company and a good one. Enthusiasm enables ordinary people to do extraordinary things. Enthusiasm is earned not dictated. We strive to earn a higher level of our team's commitment than our competitors.

**The “Next Stage” is Up To Us** We expect to be known as one of America’s great companies. We have what it takes to be great:

We have great people.

We have one vision.

We have shared values.

We care.

We have an effective, time-tested business model.

We have goals, a strategy, an operating philosophy, and sustainable competitive advantages.

We have a well-understood and effective culture.

We’ve had nearly two decades of record, double-digit annual compound growth in revenue, earnings per share and total stockholder returns. Our return on equity is 20 percent.

We’re the only “Aaa” credit-rated bank in the United States.

By many measures—but not necessarily all—we’re already considered one of America’s great companies. We’re recognized as one of the premier financial services companies in North America, ranked by *Fortune* as America’s “Most Admired” large bank and ranked by *Barron’s* as the world’s best financial services company. We expect to perform even better in the future.

Our formula for greatness starts and ends with people: “Mind share plus heart share equals market share.”

**Wells Fargo Team Members**

*Inside back (l to r): Stephanie D'Itri, Wells Fargo Financial Canada Corporation, Mississauga, Ontario; Susan Hack, Auto Finance, Chester, Pennsylvania; Tom Shippee, Wells Fargo Financial, CEO and President*



“Our success has as much to do with attitude as aptitude—what’s in our hearts not just our heads. The attitude of our team members is the most important difference between being a good financial services company and becoming a great one.”



*This is the 11th edition of our Vision and Values booklet, a process that began taking shape 20 years ago and resulted in editions of this booklet distributed to each of our team members in 1993, 1994 (two), 1995, 1997, 1998, 1999, 2001, 2002, 2004, and 2006.*



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