Wells Fargo & Company

Annual Company-Run Dodd-Frank Act Stress Test Results
Supervisory Severely Adverse Scenario

July 8, 2026

Report information

In this report (the "Report"), when we refer to “Wells Fargo,” “the Company,” “we,” “our” or “us”, we mean Wells Fargo & Company and Subsidiaries (consolidated). When we refer to “Wells Fargo Bank, N.A.,” “WFBNA,” or “the Bank,” we mean Wells Fargo Bank, National Association, the Company’s principal subsidiary.

This Report contains forward-looking statements, including projections of our financial results and condition under a hypothetical scenario that incorporates a set of assumed economic and financial conditions prescribed by our regulators. The projections are not intended to be our forecast of expected future economic or financial conditions or our forecast of the Company’s or the Bank’s expected future financial results or condition, but rather reflect possible results under the prescribed hypothetical scenario. Our future financial results and condition will be influenced by actual economic and financial conditions and various other factors as described in our reports filed with the Securities and Exchange Commission (SEC).

Overview

As a large bank holding company, Wells Fargo is subject to rules issued by the Board of Governors of the Federal Reserve System (Federal Reserve) that include Supervisory and Company-Run Stress Test requirements to implement the stress testing and disclosure requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act stress tests or "DFAST").

In this Report, we present the results of our 2026 annual company-run DFAST. This test evaluates the potential impact of the 2026 supervisory severely adverse scenario, inclusive of the global market shock and the counterparty default components (the Scenario), on the Company's consolidated financial position.

- It is important to note that the Scenario is not a forecast but rather a hypothetical scenario with assumed economic and financial conditions designed by the Federal Reserve to assess the strength of banking organizations and their resilience to severely adverse economic environments and market conditions.

- The stress test results summarized in this Report should not be interpreted as expected or likely outcomes for the Company, but rather as a possible result under hypothetical, highly adverse economic conditions.

- Results incorporate capital action assumptions, as prescribed by the Federal Reserve's DFAST rule, which exclude dividends on any instruments that qualify as Common Equity Tier 1 Capital; include payments on instruments that qualify as additional Tier 1 capital or Tier 2 capital equal to the stated dividend, interest, or principal due on such instrument; exclude redemption or repurchase of any capital instrument that is eligible for inclusion in the numerator of a regulatory capital ratio; and exclude issuances of common stock or preferred stock.

We performed our stress test by projecting balance sheet changes, losses and related provision, revenue, expense, risk-weighted assets, and capital ratios under the Scenario using models and methodologies developed or selected by the Company, except where the assumptions, practices, or methodologies were specifically prescribed by rules or instructions published by the Federal Reserve.

- Because the Company employs models and methodologies developed internally, the Company's results will differ, potentially significantly, from projections that the Federal Reserve will make for Wells Fargo as part of conducting its own DFAST using the same Scenario, such as differences in the Federal Reserve's credit loss and provision assumptions compared to the Company's assumptions.
- In addition, the stress test results summarized in this Report are not comparable to the results of other stress tests performed by the Company in the past due to a number of factors, including the uniqueness of the scenarios used to prepare each stress test, differences in market conditions and the Company's financial position and exposures at the time each stress test is performed, and the regulatory capital frameworks that may be applicable at the time each stress test is conducted.

The results of our 2026 annual company-run stress test suggest that the Company's performance would decline under the assumptions of the Scenario in response to increased provision expenses, reduced business volumes, and higher market-related and operational losses.

Supervisory severely adverse scenario overview

The Scenario published by the Federal Reserve and reflected in our stress test is characterized by a severe global recession, with prolonged declines in both residential and commercial real estate prices, which spill over into the corporate sector and affect investment sentiment. Additionally, and separate from the macroeconomic assumptions, Wells Fargo is subject to two additional components: (1) the Global market shock which includes a set of hypothetical, instantaneous shocks to trading and other activity, and (2) the Counterparty default scenario which assumes the default of the Company's largest counterparty.

For the full set of economic variables and scenario descriptions provided by the Federal Reserve, see the 2026 Stress Test Scenarios published by the Board of Governors of the Federal Reserve System. [(1)]

The Supervisory Severely Adverse Scenario assumes the following stress to key macroeconomic variables over the nine-quarter planning horizon:

Key Economic Variables for the 2026 Supervisory Severely Adverse Scenario [(1)]	
Real GDP - Q4 2025 to Trough	(4.6)%
Unemployment Rate - Peak Level	10.0
Home Prices - Q4 2025 to Trough	(30.0)
Commercial Real Estate Prices - Q4 2025 to Trough	(39.0)
Dow Jones US Total Market Index - Q4 2025 to Trough	(58.0)
3-Month Treasury Yield – Trough	0.1
10-Year Treasury Yield – Trough	2.3

(1) Available at https://www.federalreserve.gov/publications/files/2026-final-supervisory-stress-test-scenarios-20260204.pdf. (Wells Fargo does not control the website that is linked. Wells Fargo has provided this link for your convenience, but does not endorse and is not responsible for the content, links, privacy policy, or security policy of this website).

Summary results for the supervisory severely adverse scenario

Wells Fargo & Company pro forma capital ratios and risk-weighted assets projections

Company pro forma stressed capital ratio projections (1Q26 – 1Q28)

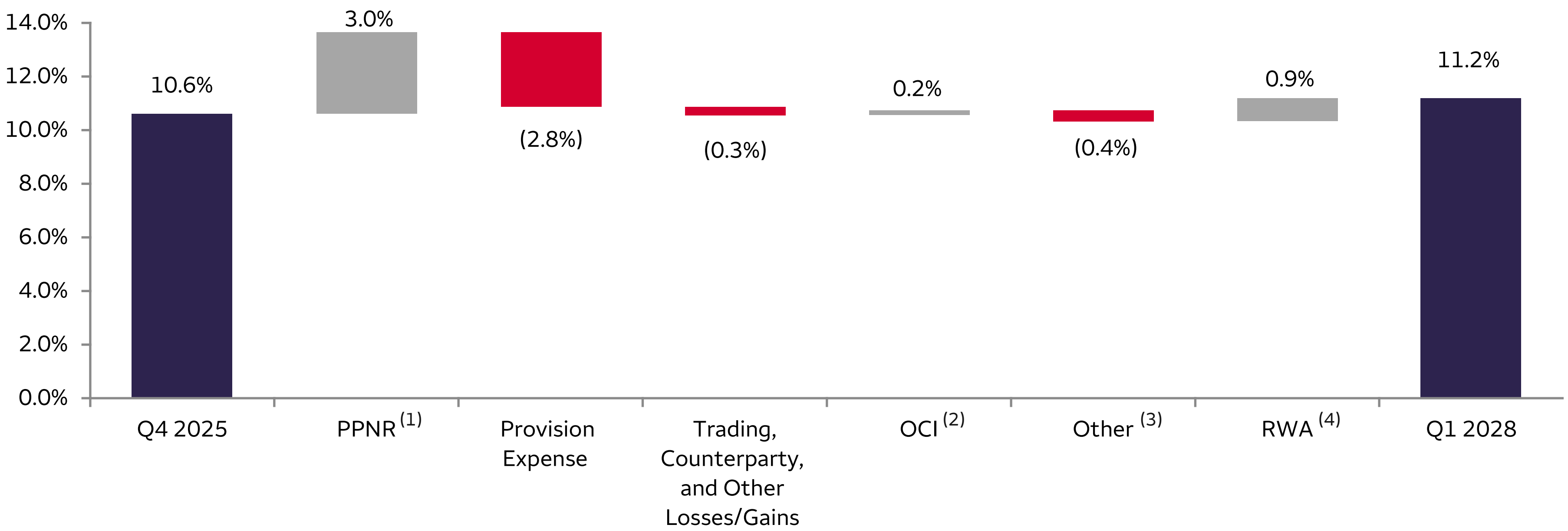
	Actual	Stressed pro forma ratios [1]	
	Dec. 31, 2025	Mar. 31, 2028	Minimum
Common Equity Tier 1	10.6 %	11.2 %	9.5 %
Tier 1 risk-based capital	11.9	12.5	10.7
Total risk-based capital	14.3	15.0	13.2
Tier 1 leverage	7.5	7.3	6.7
Supplementary leverage ratio	6.2	6.3	5.6
Memo items - Risk-Weighted Assets [2]			
(in billions)			
Standardized approach	$ 1,294.6	$ 1,195.3	

(1) Reflects capital actions dictated by the guidance provided within 12 C.F.R. § 252.56(b) which provides the assumptions in projecting post-stress capital levels and ratios. The guidance dictates that a covered company (1) will not pay any dividends on any instruments that qualify as common equity tier 1 capital; (2) will make payments on instruments that qualify as additional tier 1 capital or tier 2 capital equal to the stated dividend, interest, or principal due on such instrument; (3) will not make a redemption or repurchase of any capital instrument that is eligible for inclusion in the numerator of a regulatory capital ratio; and (4) will not make any issuances of common stock or preferred stock.

(2) Risk-weighted assets are calculated under the standardized risk-based capital approach.

Summary results for the supervisory severely adverse scenario

Wells Fargo & Company pro forma Common Equity Tier 1 (CET1) ratio attribution analysis



(1) Pre-provision net revenue.

(2) Other comprehensive income.

(3) Other incorporates all other adjustments, including goodwill, income tax, net income attributable to non-controlling interests, and allowable capital actions (i.e., preferred stock dividends).

(4) Risk-weighted assets.

Note: PPNR, Provision Expense, and Trading, Counterparty and Other Losses/Gains are on a pre-tax basis.

Summary results for the supervisory severely adverse scenario

Wells Fargo & Company pro forma profit and loss projections

Company pro forma nine-quarter cumulative projected net revenue, losses, and net income before taxes (1Q26 – 1Q28)

($ in billions)	Nine quarter cumulative, ending Mar. 31, 2028	Percentage of average assets [1]
Pre-provision net revenue [2]	$39.3	1.9%
equals		
Net interest income	101.8	
Noninterest income	49.3	
less		
Noninterest expense	111.8	
less		
Provision for credit losses [3]	36.5	
equals		
Provision for loan and lease losses	35.9	
Credit losses on investment securities (AFS/HTM) and other assets	0.6	
Trading and counterparty losses [4]	3.8	
Other losses / gains [5]	0.3	
Net income before taxes	$(1.3)	-0.1%
Memo items		
Other comprehensive income [6]	2.3	
Other effects on capital	**Q4 2025**	**Q1 2028**
Accumulated other comprehensive income included in capital	$(6.5)	$ $(4.2)

Note: Numbers may not foot due to rounding

(1) Average assets is the nine-quarter average of total assets (from Q1 2026 through Q1 2028).

(2) Pre-provision net revenue represents net interest income plus noninterest income less noninterest expense. It includes losses from operational risk events and expenses associated with the change in the allowance for unfunded commitments. It includes the projected change in fair value of loans held for sale under the lower of cost or market (LOCOM) accounting method and loans accounted for under the fair value option. It includes losses from private equity positions.

(3) Provision for credit losses is reported in accordance with the reporting criteria required in the FR Y-14A which includes provision for credit losses for loans, debt securities, and other financial assets.

(4) Trading and counterparty losses include mark-to-market losses on the trading portfolio, changes in credit valuation adjustments (CVA), and single largest counterparty default losses for the global market shock component.

(5) Unrealized losses / (gains) on equity securities not held for trading.

(6) Other comprehensive income is reported in after-tax dollars and reflects the nine-quarter incremental change in unrealized losses/gains on AFS securities, amortization of unrealized losses/gains on securities which have been transferred from AFS to HTM, and unrecognized losses/gains on pension plan obligations and pension assets. Excludes unrealized losses/gains on cash flow hedges for consistency with accumulated other comprehensive income included in capital.

Summary results for the supervisory severely adverse scenario

Wells Fargo & Company pro forma loan loss projections

Company pro forma nine-quarter projected loan losses by type of loan (1Q26 – 1Q28)[1]

($ in billions)	Nine quarters cumulative Mar. 31, 2028	Cumulative portfolio loss rate [2]
First lien mortgages, domestic	$ 1.1	0.5%
Junior lien and home equity lines of credit, domestic	0.1	0.8%
Commercial & industrial [3]	5.7	3.3%
Commercial real estate, domestic	9.2	8.1%
Credit card	10.3	17.6%
Other consumer	2.1	3.3%
All other loans [4]	5.1	1.8%
Projected loan losses	$ 33.5	3.7%

(1) The loan categories presented adhere to FR Y-14A reporting definitions and will differ from the loan categories presented in our financial reports filed with the SEC.

(2) The cumulative portfolio loss rate is calculated by dividing the nine quarter cumulative net losses by the average loan balances over the same period. Average loan balances used to calculate portfolio loss rates exclude loans held for sale and loans held for investment under the fair value option.

(3) Commercial and industrial loans include commercial and industrial loans, corporate and business cards and small business loans.

(4) All other loans are largely commercial loans, and include loans to purchase or hold securities, loans secured by farmland, agricultural loans, loans to various financial institutions, international commercial real estate (CRE) loans, and lease financing receivables, as well as overdrafts from commercial and consumer accounts.

Summary results for the supervisory severely adverse scenario

Wells Fargo Bank, N.A., pro forma capital ratio projections

Wells Fargo Bank, National Association (Wells Fargo Bank, N.A., WFBNA, or the Bank) is a separate legal entity operating under a national bank charter within the Wells Fargo organizational structure and is the Company's principal subsidiary. In addition to performing Dodd-Frank Act stress testing on the consolidated Company, we also performed the annual stress test required under rules and guidance published by the Office of the Comptroller of the Currency (OCC) with respect to the Bank.[1] The rules and guidance (including the macroeconomic severely adverse scenario) provided by the OCC for the Bank stress test were consistent with those provided by the Federal Reserve for the Dodd-Frank Act stress test performed on the consolidated Company.

WFBNA pro forma stressed capital ratio projections (1Q26 – 1Q28)

	Actual	Stressed pro forma ratios	
	Dec. 31, 2025	Mar. 31, 2028	Minimum
Common Equity Tier 1	12.8 %	15.5 %	12.4 %
Tier 1 risk-based capital	12.8	15.5	12.4
Total risk-based capital	14.3	17.0	13.9
Tier 1 leverage	8.7	9.5	8.2
Supplementary leverage ratio	7.1	8.0	6.7

(1) See 12 C.F.R. pt. 46 (2014)

Key risks captured in the annual company-run stress test

The following sections summarize key risks considered in the stress test results and incorporated into estimates of potential losses and revenue over the nine-quarter test horizon, when applicable.

Compliance Risk	The risk resulting from the failure to comply with laws (legislation, regulation, and rules) and regulatory guidance, and the failure to appropriately address associated impact, including to customers. Compliance risk encompasses violations of applicable internal policies, program requirements, procedures, and standards related to ethical principles applicable to the Company.
Model Risk	The risk arising from the potential for adverse consequences of decisions made based on model output that may be incorrect or used inappropriately.
Operational Risk	The risk of loss resulting from inadequate or failed internal processes, people, and systems, or from external events.
Credit Risk	The risk of loss associated with a borrower or counterparty default (failure to meet obligations in accordance with agreed upon terms). Credit risk exists with many of the Company’s assets and exposures such as debt security holdings, certain derivatives, and loans.
Interest Rate Risk	The risk that market fluctuations in interest rates, and/or product spreads, can cause a reduction in the Company’s earnings and capital stemming from mismatches in the Company’s asset and liability cash flows.
Liquidity Risk	The risk arising from the inability of the Company to meet obligations when they come due, or roll over funds at a reasonable cost, without incurring heightened losses.
Market Risk	The risk of possible economic loss from adverse changes in market risk factors, such as interest rates, credit spreads, foreign exchange rates, equity and commodity prices, and the risk of possible loss due to counterparty exposure. This applies to implied volatility risk, basis risk, and market liquidity risk. It includes price risk in the trading book, mortgage servicing rights, the hedge effectiveness risk associated with the mortgage book held at fair value, and impairment on private equity investments.
Strategic Risk	The risk to earnings, capital, or liquidity arising from adverse business decisions, improper implementation of strategic initiatives, or inadequate responses to changes in the external operating environment.

Stress testing methodologies

This section provides a summary of the methodologies applied to estimate capital resources and uses over the nine-quarter test horizon. Key outputs from these methodologies are pro forma balance sheets and income statements, which are used to produce capital projections, including projections of risk-weighted assets, and all regulatory and other capital ratios. In developing pro forma financial statements, the Company applies accounting practices consistent with the Company's significant GAAP accounting policies and regulatory capital rules, except where supervisory guidance specifies alternative treatments.

The Company's stress testing methodologies focus on empirically defining the relationship between macroeconomic variables and business volumes, revenues, and losses where appropriate in order to estimate outcomes that may result from the specified Scenario. We use a series of models and estimation methodologies, coupled with management judgment, to produce a comprehensive estimate of future business performance.

- Stress testing methodologies are subject to considerable uncertainties and modeling limitations, including uncertainty about the extent to which historical relationships between macroeconomic factors and business outcomes will continue to be relevant in a severely stressed economic environment and the potential for changes to customer behavior in response to changes in the environment.
- Consideration for these uncertainties and limitations when evaluating stress test results is a core part of our capital adequacy process.

Key stress testing methodologies

Pre provision net revenue (PPNR)

- Measures total net revenue consisting of net interest income, noninterest income and noninterest expenses.
- Forecasted product behaviors in each scenario are evaluated relative to the Company's experience in various relevant economic environments and for consistency with business strategy.
- Net interest income includes yield curve changes and the associated impact on balances and pricing terms, the behavior of the existing balance sheet, and planned new business growth and pricing.
- Noninterest income largely consists of revenue generated from deposit-related fees, lending-related fees, investment advisory and other asset-based fees, commissions and brokerage fees, investment banking fees, card fees, mortgage banking income, losses from private equity positions, market-sensitive revenue and all other noninterest income.
- Noninterest expense, primarily personnel-related expenses, are closely associated with the projected level of business activity, the overall strength or weakness of the assumed economic environment, or otherwise based on standard, defined calculations. Operational risk loss estimation process uses a blend of quantitative and qualitative estimation methods to assess reasonableness of the loss projections.

Loan Losses and Provisions

- Loan losses are estimated using a combination of probability of default (PD), loss given default (LGD), and exposure at default (EAD) risk parameters, generally using loan-level approaches. Loss estimates take into consideration the unique characteristics of our commercial and consumer loan portfolio segments. For each portfolio segment, losses are estimated collectively for groups of loans with similar risk characteristics. Distinct variables are applied to each segment including MSA-level variables, credit and collateral quality ratings, and the impact of macroeconomic variables.
- The allowance for credit losses is informed by historical experience, current conditions, and incorporates expected losses for the remaining estimated life of the financial asset. An incremental estimate for qualitative factors is included in allowance estimates to reflect inherent uncertainty in estimates (e.g., model risk on unforeseen changes in customer behavior).

Credit Loss on Securities

The securities portfolio primarily consists of debt securities with any losses projected through the CECL accounting standard over the stress test horizon.

- Allowance and credit losses on available-for-sale and held-to-maturity debt securities are determined by using an expected loss methodology similar to that for the Wholesale Lending portfolio, which incorporates PD, LGD and EAD on a security-by-security basis.
- Allowance and credit losses on commercial mortgage-backed security positions factored in subordination.

No future sales of securities are assumed to occur over the test horizon in the Scenario. Therefore, in the stress test we recognize credit losses if, under Scenario conditions, we would not expect to recover the entire amortized cost basis of the security.

Key stress testing methodologies

Trading and counterparty losses	Stress losses are estimated by applying shocks to market risk factors and revaluing trading positions. Using the full revaluation approach, all relevant risk factors are shocked simultaneously, positions are repriced, and stress losses are calculated as the change between pre- and post-shock valuations. Stress results are then aggregated across all positions to determine the total portfolio level stress loss. Counterparty losses occur when counterparties cannot meet their contractual obligations due to default or declining credit quality. These risks arise from a range of business activities, including derivatives, foreign exchange, repo and reverse repo agreements, securities lending and borrowing, and securities trading.
Other Comprehensive Income	Our general approach to estimating stressed security prices and the impact to other comprehensive income is to combine the scenario-specific projected macroeconomic variables with granular security-by-security pricing assumptions in a discounted cash flow (DCF) analysis. This process utilizes a full revaluation of each security as opposed to an approximation based on duration, convexity, and other factors.
Capital and Capital Ratios	Capital estimates are derived from quarterly pro forma financial statements generated through the stress test projection process. The resulting equity capital balance for each quarter is adjusted for certain regulatory deductions prescribed by U.S. regulatory capital rules, including goodwill, to arrive at estimated regulatory capital. The pro forma balance sheet is risk-weighted from one quarter to the next to account for changes in the overall balance sheet size and mix and for changes in off-balance sheet exposures. Assets are categorized and risk-weighted for each quarter of the nine-quarter horizon under the standardized approach. Other risk-weighted components (such as market risk and other adjustments) are also projected and included in the risk-weighted calculation process. The resulting regulatory capital estimate and risk-weighted assets are used to generate pro forma quarterly capital ratios.