

United States Senate
WASHINGTON, DC 20510-3005

September 22, 2022

Charles W. Scharf
Chief Executive Officer and President
Wells Fargo & Company
420 Montgomery Street
San Francisco, CA 94104

Bei Ling
Senior Vice President
Head of Human Resources
Wells Fargo & Company
420 Montgomery Street
San Francisco, CA 94104

Dear Mr. Scharf and Ms. Ling,

We write with deep concern regarding recent reports that Wells Fargo conducts “fake interviews” with women and minority candidates for positions that have already been filled. According to the *New York Times*, Wells Fargo undertakes these fake interviews to artificially boost diversity statistics in an attempt to satisfy an internal goal to interview at least one woman and one person of color for each open position—a goal that was meant to increase diversity among Wells Fargo’s workforce.¹ The information uncovered by *The New York Times* is not only highly offensive and suggestive of systemic bias and discrimination at the bank, but also may represent a pattern of misleading shareholders and federal and state regulators in oversight of Wells Fargo’s execution of nondiscrimination laws and broader, public commitment to diversity, equity, and inclusion.

Unfortunately, this is not the first time Wells Fargo has been subject to criticism over discriminatory hiring and employment practices. In 2018, the Department of Labor alleged that Wells Fargo discriminated against 30,000 Black applicants and hundreds of women in its hiring

¹ <https://www.nytimes.com/2022/05/19/business/wells-fargo-fake-interviews.html>

process. Wells Fargo settled the case for \$8 million.² In 2013, approximately 320 Black financial advisers filed a class-action lawsuit against the company alleging Wells Fargo steered them away from new lucrative opportunities. Wells Fargo settled that case for \$36 million.³ Given this history and the latest *New York Times* report, we are concerned that Wells Fargo does not take seriously its responsibilities and commitments to federal and state regulators, to its shareholders, and to the customers and communities that it serves.

In response to *The New York Times* article, Wells Fargo said it will attempt to end fake interviews by allowing hiring managers to seek exemptions from the bank's diverse interviewing goals altogether.⁴ However, if hiring managers can more easily opt out of its goals, diverse candidates may be considered less often for open positions. Additionally, Wells Fargo recently announced that it agreed to a third-party racial-equity audit after years of urging shareholders to vote against such audits.⁵ While these are potentially good first steps, Wells Fargo should take more immediate action to rebuild confidence in its recruitment, application, interview, and hiring processes. We ask that you please answer the following questions about Wells Fargo's practices no later than October 13, 2022:

1. Did any business line of Wells Fargo have a formal or informal practice of interviewing candidates, particularly women and minority candidates, for previously filled positions? If so, please identify which business lines had such practices and when such practices were implemented. Please provide any documentation of such practices.
2. Before the May 19, 2022, *New York Times* article, were you aware of any instances of hiring managers across any of Wells Fargo's business lines conducting interviews with candidates, particularly women and minority candidates, after positions had been filled?
 - a. If so, please identify which business lines and when you become aware of such practices.
 - b. Please describe any disciplinary actions taken against hiring managers for conducting such interviews?
3. What percentage of Wells Fargo's 2020 and 2021 employment offers were made to women, Black, and Latino candidates, respectively?
4. Does Wells Fargo require interviewers and hiring managers to participate in anti-bias training before interviewing applicants?
5. How does Wells Fargo currently conduct recruitment of diverse candidates? Does the Bank engage with diverse professional organizations? What steps will you take to rebuild trust with partners and organizations in your recruitment process?

² <https://www.dol.gov/newsroom/releases/ofccp/ofccp20200824>

³ <https://www.nytimes.com/2022/05/19/business/wells-fargo-fake-interviews.html>

⁴ <https://www.nytimes.com/2022/08/01/business/wells-fargo-hiring-policy-fake-job-interviews.html>

⁵ <https://newsroom.wf.com/English/news-releases/news-release-details/2022/Wells-Fargo-to-Commission-Third-Party-Racial-Equity-Audit/default.aspx>; <https://www.bloomberg.com/news/articles/2022-09-13/wells-fargo-agrees-to-racial-equity-audit-ahead-of-hearings?sref=Hhue1scO>.

6. What specific actions has Wells Fargo taken to address reported bias and discrimination issues in Wells Fargo's recruitment, application, interview, and hiring processes? How will Wells Fargo ensure fake interviews do not happen in the future?

The practice of interviewing candidates, particularly women and minority candidates, for previously filled positions is deeply insulting to qualified, and talented applicants that have the ability enrich and contribute to Wells Fargo. We hope you will take swift action to remedy this issue and identify meaningful steps to advance recruitment, hiring, and retention of diverse employees across the bank's business lines and senior leadership.

We look forward to your prompt response to our questions.

Sincerely,



Robert Menendez
United States Senator



Sherrod Brown
United States Senator



Elizabeth Warren
United States Senator