



Appendix A: Early-warning metrics



Rolling Funding Rate (RFR)

Operational Guidance: minimum
'store-level' RFR 87.5%

2005 Baseline	2012 Threshold crossed	Sept 2012 Low Point	2016 Reforms Instituted
~90%	Below 80%	~77% Overall	>95%



Simulated Funding Analysis

Identified post-scandal

May 2011–July 2015 Review Window
Up to 1,534,280 deposit accounts were identified post scandal as being funded via simulated funding/unauthorized transfers



Employee Turnover Division Total

US Bureau of Labor Statistics (BLS)
Finance & Insurance Data for
Industry Averages

	2005 Baseline	Oct 2012 Peak	2011–2015
US Industry Average	22.5%	Ind Avg 23.3%	Ind Avg 20.3–26.3%
Wells Fargo	Not Disclosed	~41%	Greater than 30% every year



Employee Turnover by Position

2017 Independent Board Report
Findings

2010 Position Specific Employee Turnover	Tellers	Personal Bankers	Service Managers	Branch Managers
US Peers	28%	23%	8%	10%
Wells Fargo	33%	27%	10%	11%

These figures summarize three “early warning” signal areas: account quality, funding integrity, and frontline workforce stability. The **Rolling Funding Rate (RFR)** is an internal indicator of new-account quality (whether accounts are funded in a way consistent with real customer intent). The **Simulated Funding Analysis** reflects a post-scandal review of accounts potentially funded through simulated activity or transfers rather than genuine deposits. The **Employee Turnover** panels flag workforce churn as a pressure-and-control signal, with position-specific comparisons showing how key frontline roles tracked against peer benchmarks.



Appendix A: Early-warning metrics

Employee Integrity Metrics	Baseline (Q2 2007)	Peak (Q4 2013)	"Return" (Q1 2016)
Allegations (all sales-practice misconduct)	288	1,469 (+410.10%)	958 (-34.80% vs peak; +232.60% vs baseline)
Terminations/resignations (all sales-practice misconduct)	61	447 (+632.80%)	162 (-63.80% vs peak; +165.60% vs baseline)
Employee Integrity Metrics	Baseline (Q1 2008)	Peak (Q4 2013)	"Return" (Q1 2016)
Allegations (customer-impact-likely subset)	336	1,050 (+212.50%)	730 (-30.50% vs peak; +117.30% vs baseline)
Terminations/resignations (customer-impact-likely subtypes)	106	339 (+219.80%)	122 (-64.00% vs peak; +15.10% vs baseline)

- These **Employee Integrity Metrics** summarize quarterly investigation signals at three points in time: baseline (Q2 2007 for the "all misconduct" series; Q1 2008 for the subtype-based "customer-impact-likely" series), peak (Q4 2013), and a partial decline by Q1 2016 ("return").
- **Allegations** are quarterly counts of referrals/reports of potential misconduct entered into the ICE investigations system (a proxy for how much suspected misconduct is being flagged). The customer-impact-likely series excludes subtypes less likely to affect customers and begins in 2008 because subtype coding was not established before then.
- **Terminations/resignations** are quarterly counts of employees leaving as an outcome of investigations (a proxy for cases escalating to consequences), with a customer-impact-focused version for higher-risk categories.
- A practical flag for readers: the **customer-impact-likely series starts later (2008)** and is a subset of the all series, so it isn't a like-for-like baseline comparison — but the fact that customer-impact-coded allegations are already higher in Q1 2008 than all allegations were at baseline in Q2 2007 underscores how early these signals of rising violations were present.