

News Release | May 24, 2021

Wells Fargo Awards Nonprofits \$1.85 Million to Foster an Inclusive Recovery for Asian American, Pacific Islander and Minority-owned Businesses in Los Angeles County

Open for Business Fund and Wells Fargo Foundation grants will provide access to capital, technical assistance and for diverse entrepreneurs in communities of color

LOS ANGELES—May 24, 2021—Wells Fargo today awarded Pacific Asian Consortium in Employment (PACE) Open for Business Fund grants totaling \$1.75 million. Funds will enable the nonprofit to provide 154 minority-owned businesses with vital capital and transform its training curriculum to help entrepreneurs adapt and sustain economic recovery—creating or retaining an estimated 2,000 jobs. The Wells Fargo Foundation also awarded Asian Pacific Islander Small Business Program (API SBP) a \$100,000 grant that will position 300 ethnic business owners to make the transition from recovery to growth.

Open for Business Fund is a roughly \$420 million small business recovery effort created by donating gross processing fees the company received from the federal government for participation in the Paycheck Protection Program in 2020. Through this initiative, Wells Fargo is engaging with nonprofits and Community Development Financial Institutions (CDFIs) like PACE to provide much needed capital, technical support, and long-term resiliency programs for Asian American and Pacific Islander (AAPI), and other diverse small businesses to foster an inclusive recovery.

“The Open for Business Fund enlists the expertise of organizations like PACE and API SBP to urgently assist small business owners and help them stay open,” said Gregg Sherkin, senior vice president, Wells Fargo Social Impact and Sustainability. “Access to capital is critical, but it’s only part of the equation. Small businesses also need coaching, guidance, and access to experts who can support their journey to recovery. We want to see Asian American and Pacific Islander business owners thriving along with the rest of the small business community.”

New capital and reconfigured training programs will create or retain an estimated 2000 jobs

PACE will deploy capital immediately and provide forgivable loan products and financing with flexible underwriting and favorable terms. In addition to favorable rates and special underwriting, the CDFI will leverage this capital with its current available loan funds to create a combined financing effort exceeding \$2 million. It is estimated that 154 small businesses will be able to create or retain more than 200 jobs with access to new capital:

With its technical assistance grant, PACE will reconfigure its business education and training sessions into three comprehensive, integrated learning tracks, will be available both online and in four regional languages – Chinese Mandarin, Korean, Vietnamese and Spanish:

- **Basic Business Assistance:** For currently operating businesses or new entrepreneurs seeking to start an enterprise or seeking to expand.
- **Surviving and Responding to COVID-19:** This program will assist business owners in understanding the many Federal, State and local public and private programs that are available to help them survive, expand or initiate new business opportunities and “pivot” business direction. In addition, business counselors will also provide technical assistance—financial planning, business model adjustments, marketing and advertising channels, etc.—to existing businesses to ensure viability and continuation.

- **Business Expansion through Procurement:** Education and training for new or operating businesses seeking to expand its markets through the generally under-utilized public and private sector procurement contracting process.

"AAPI businesses are a powerful driving force in our economy. Yet they have been disproportionately affected by the pandemic, with 80% of AAPI small business owners reporting negative effects," said Kerry Doi, president and CEO of PACE. Rising anti-Asian rhetoric is further exacerbating their ability to rebound. Our communities are suffering and need our support. Wells Fargo's generous investment will enable us to expand our capacity to provide in-language training, technical assistance and access to capital services to our AAPI small business clients."

API SBP provides services in nine languages to low-and-moderate-income immigrants aspiring to start and expand their businesses. With a \$100,000 Wells Fargo Foundation grant, API SBP will provide 300 AAPI small business owners across Los Angeles—Cambodia Town, Chinatown, San Gabriel Valley, Historic Filipinotown, Koreatown, Little Tokyo and Thai Town—with the resources they need to position themselves for future growth.

"We're honored by Wells Fargo – our largest corporate sponsor – and humbled by their continued confidence in our commitment to create new jobs, resilient neighborhoods, and facilitate a more rapid recovery for LA's AAPI communities," said Ron Fong, API SBP Executive Director.

Wells Fargo has a long history of supporting AAPI communities, including the creation of the company's Chinese name, a decades-long tradition of providing red envelopes to join customers and employees in celebrating Lunar New Year and standing with Asian American and Pacific Islander communities during difficult times—such as supporting customers affected by the Chinese Exclusion Act of 1882 and the banker who made it his mission to support Japanese American customers in the 1940s, when they were removed from their homes to federal incarceration camps.

In response to attacks on Asian Americans and Pacific Islanders, and disturbing trend of xenophobia and harassment that were exacerbated by the COVID-19 pandemic, Wells Fargo CEO Charlie Scharf earlier this year expressed solidarity with AAPI communities and pledged to continue the fight to advance equity and inclusion for all. "This is unacceptable and we stand with our Asian colleagues and communities. We will continue to work diligently to take action against racism and injustice," said Scharf.

Wells Fargo actively supports the Asian community through financial education, college scholarships, small business loans, in-language services and support of local Asian-focused non-profit organizations, like PACE, that are working in the community to create meaningful change through economic empowerment

About PACE

Founded in 1976, PACE is a nonprofit, community development corporation that annually serves over 50,000 people through job training and placement; business development; early childhood education; financial education and asset building; affordable housing; and energy, environmental and weatherization services. For more information about PACE, visit us at: www.pacela.org

About API SBP

Formed in 1999, API SBP is a collaborative of six community organization: the Chinatown Service Center, Koreatown Youth & Community Center, Little Tokyo Service Center CDC, Search to Involve Pilipino Americans, Thai Community Development Center and United Cambodian Community. The mission of the API SBP is to assist the development of small and micro businesses in Los Angeles with a particular focus on the Chinese, Filipino, Khmer, Korean, Japanese and Thai business communities, especially those of low-income immigrants.

About Wells Fargo

Wells Fargo & Company is a leading financial services company that has approximately \$1.9 trillion in assets and proudly serves one in three U.S. households and more than 10% of all middle market companies in the U.S. We provide a diversified set of banking, investment and mortgage products and services, as well as consumer and commercial finance, through our four reportable operating segments: Consumer Banking and Lending; Commercial Banking; Corporate and Investment Banking; and Wealth and Investment Management. Wells Fargo ranked No. 30 on Fortune's 2020 rankings of America's largest corporations. In the

communities we serve, the company focuses its social impact on building a sustainable, inclusive future for all by supporting housing affordability, small business growth, financial health and a low-carbon economy. News, insights and perspectives from Wells Fargo are also available at [Wells Fargo Stories](#).

Additional information may be found at www.wellsfargo.com | Twitter: [@WellsFargo](#).

Media Contact

Juan Lopez, 805-318-0270

Juan.Lopez7@wellsfargo.com