Aspiration into Action
New Standards for Change

Corporate responsibility (CR) is a long-term commitment we’ve made to our clients, employees, shareholders and communities to conduct our business responsibly.

It’s a commitment to creating an environment where employees are valued and engaged. It’s investing with impact, protecting our environment and connecting with our communities. Most importantly, CR is at the foundation of our corporate strategy.
“Being a responsible citizen is a vital part of who we are and what we stand for as an organization.”

Joseph L. Hooley
Chairman and Chief Executive Officer
Statistics are excerpted from our 2016 Corporate Responsibility Report and show our commitment to CR across five key areas:

- **Governance**
- **Communities**
- **Economic**
- **Environment**
- **Employees**

*For detailed computation, please reference the Economic Performance section within our full CR Report.*
Moving from Values to Value

Investors are increasingly using environmental, social and governance (ESG) strategies to align their investment needs with their values — and they’re looking for new opportunities to do so. Over the past year, we’ve continued to deliver solutions that help clients further integrate ESG practices into their own business.

Supporting our commitment to gender equity, State Street Global Advisors introduced the SSGA proprietary gender diversity index. Focused on increasing gender diversity in corporate America, the index helps investors align their investments with companies that value gender-diverse leadership. With an eye toward helping slow global warming, SSGA also launched two new fossil-fuel, reserves-free ETFs in 2016. And we’re expanding our ESG focus across our business. Tapping into State Street Global Exchange’s large data pool and quantitative research capabilities, we launched a cross-functional ESG Solutions business to help clients measure, analyze and monitor the risks and benefits of ESG investing.

Tax Credit Investments

$558M

$140M
Affordable Housing

$418M
Renewable Energy
611 ESG Client Engagements

22 ESG Products on the Market

$176B ESG Assets Under Management
Managing Our Impact

**Carbon**
33% reduction
( Goal: 20%)

**Water**
21% reduction
( Goal: 20%)
Five years ago, we set aggressive standards to decrease our greenhouse gas (GHG) emissions and water usage by 20 percent per person, and reduce the amount of waste sent to landfills by 90 percent — all by 2020.

We met or exceeded those goals three years ahead of schedule through a number of changes. We’re more closely monitoring energy efficiency in our offices and investing in projects like one in Uganda that helps reduce GHG by replacing traditional stoves with fuel-efficient cookstoves in households and schools.

This project reduces pressure on Uganda’s forests, enriches livelihoods and improves users’ health.

Our employees have played a critical role in our CR success, and we’ve supported their passion with the launch of a new employee-driven network in 2016. One of the primary goals of the Environmental Sustainability Employee Network (ESEN) is to involve our employees in project planning, implementation and awareness. In 2016, the ESEN organized a speaker panel that focused on our carbon offset and renewable energy certificate (REC) purchases, tax-advantaged investments and other environmental sustainability opportunities at State Street.
2,220+ Organizations Served

$4.3M Matching Gifts

$19.6M Contributions
Connecting with Our Values

Our values — always finding better ways; stronger together; and global force, local citizen — connect our more than 30,000 employees with a singular purpose. They directly influence our client relationships, shareholder interactions and community support efforts.

As part of our long-term commitment to increasing prosperity in our communities, our primary investment focus is on organizations that provide education and workforce development. Our signature program, Boston WINs, is a four-year, $20 million initiative designed to strengthen Boston’s future workforce through education and career development. We know that success takes a workforce that’s representative of our communities and our clients. We made strong progress in 2016 toward our three-year diversity goals for female employees globally and employees of color in the US.

**GENDER DIVERSITY**
(\% of female employees)

<table>
<thead>
<tr>
<th>Level</th>
<th>2017 Goal</th>
<th>2016 Progress</th>
</tr>
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<tbody>
<tr>
<td>SVP+</td>
<td>28%</td>
<td>27.0</td>
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<td>MD</td>
<td>34%</td>
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<tr>
<td>VP</td>
<td>34%</td>
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<tr>
<td>AVP</td>
<td>43%</td>
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**PHILANTHROPY**

- **120,700** Volunteer Hours
- **22.5\%** Employee Volunteers
- **70\%** EVPs on Charitable Boards
Keeping Our Sights on the Future

As a signatory to the United Nations (UN) Global Compact, we adopted five UN Sustainable Development Goals that align with our long-term approach to CR:

• Ensure inclusion and quality education for all, and promote lifelong learning

• Promote inclusive and sustainable economic growth, employment and decent work for all

• Achieve gender equality and empower all women and girls

• Ensure access to affordable, reliable, sustainable and modern energy for all

• Take urgent action to combat climate change and its impact

We’ve already built a strong foundation for these goals within our CR framework. Programs like Boston WINs will continue to help us shape the workforce of the future.

Going forward, we’ll be following CR best practices and moving to science-based targets for greenhouse gas emissions. These targets measure emissions based on square footage and are consistent with society limiting global warming to two degrees Celsius, the threshold under which many of the most harmful impacts of climate change can be averted. Our goal? A 30-percent reduction in GHG emissions by 2025 from a 2015 baseline.
CR Honors

FTSE4Good

The FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong ESG practices. We’ve been listed as a constituent of the Global Index since 2001.

MSCI

Since 2013, we’ve held a AA ESG risk rating from MSCI. These ratings are designed to provide more context and data to support more informed decisions for the modern institutional investor.

STOXX

The STOXX ESG index family provides access to companies that are leaders in terms of ESG criteria. We’ve been listed on four of STOXX ESG stock indices since 2011.

Dow Jones Sustainability Indices

We’ve been listed on the Dow Jones North America Index for 10 of the last 11 years. This index measures the performance of the sustainability leaders in North America.

CR Honors

As a partner since 2007, we were proud to be listed on the Green Power Partnership’s National Top 100, Fortune 500 and 100% Green Power Users lists. These lists respectively recognize the top 100 Green Power Users within the Green Power Partnership, the Green Power Partners also on the Fortune 500 list and the Partners using green power to meet 100 percent of their US organization-wide electricity use.
Together, Creating The Way Ahead

statestreet.com/cr
In recognition of the growing evidence that companies with higher degrees of gender diversity in their senior ranks may perform better, SSGA's proprietary gender diversity index screens US large cap equities for levels of women in senior leadership.

ETFs trade like stocks, are subject to investment risk, fluctuate in market value and may trade at prices above or below the ETF’s net asset value. Brokerage commissions and ETF expenses will reduce returns.

Concentrated investments in a particular industry or sector may be more vulnerable to adverse changes in that industry or sector.

Equity securities may fluctuate in value in response to the activities of individual companies and general market and economic conditions.

The SSGA Gender Diversity Index is designed to track the performance of US large-capitalization companies that are leaders within their respective industry sectors in advancing women through gender diversity on their boards of directors and in senior leadership positions.