

UK GENDER PAY GAP

2021 Report



STATE STREET®

At State Street, we are committed to inclusion, diversity, and equity because we know that these are the key components of a high-performing organisation.

Although we are not yet where we aspire to be from a gender diversity standpoint, we firmly believe that being transparent about where we are and where we have more work to do is an important part of holding ourselves accountable.

We confirm that the data included in this report is accurate.



CUAN COULTER
State Street UK Country Head
State Street Bank and Trust (London Branch)
Branch Manager



ALEX CASTLE
CEO of State Street Global Advisors (UK) Limited



Our Pay Gap Numbers

In the UK, we report our gender pay gap numbers for two entities: State Street Bank and Trust Company London Branch (SSBT) and State Street Global Advisors Limited (GA). We also report our pay gap numbers in aggregate as “State Street Overall.”

Our year-over-year mean pay gap has improved by 0.1 percent and 4.4 percent for State Street Overall and GA respectively, and increased by 1.7 percent for SSBT. The median pay gap for State Street Overall, SSBT, and GA increased by 0.3 percent, 1.2 percent, and 7.4 percent respectively.

SSBT's mean and median pay gaps increased due to voluntary attrition. More specifically, an equal number of males and females left SSBT, but the open positions were filled by a higher proportion of males than females. The resulting reduction in female representation is a key driver for the increase in the mean and median pay gaps.

Furthermore, the median pay gap for GA increased primarily due to the higher median pay of females

leaving than the median pay of females joining. The median pay gap for the baseline GA population is flat year-over-year.

Our year-over-year mean bonus gap has improved by 5.9 percent for State Street Overall, 4.3 percent for SSBT, and 6.7 percent for GA. The median bonus gap for State Street Overall, SSBT, and GA improved by 8.5 percent, 4.7 percent, and 0.6 percent respectively.

Across all three reporting categories, the key driver for our gender pay gap continues to be a lower representation of women in both senior roles and higher-paying roles.

Our Pay Gap Numbers / Pay Difference

Pay Difference Between Men and Women

| 2021 | State Street Overall | SSBT | GA |
|--------|----------------------|--------------|--------------|
| Mean | 13.8% | 10.6% | 22.9% |
| Median | 16.4% | 18.6% | 17.6% |
| 2020 | | | |
| Mean | 13.9% | 8.9% | 27.3% |
| Median | 16.1% | 17.4% | 10.2% |

Our Pay Gap Numbers / Bonus

Bonus Difference Between Men and Women

| 2021 | State Street Overall | SSBT | GA |
|--------|----------------------|-------|-------|
| Mean | 36.1% | 27.9% | 46.6% |
| Median | 36.0% | 28.6% | 55.8% |
| 2020 | | | |
| Mean | 42.0% | 32.2% | 53.3% |
| Median | 44.5% | 33.3% | 56.4% |

Percentage of Employees Who Received a Bonus

| 2021 | State Street Overall | SSBT | GA |
|-------|----------------------|------|-----|
| Women | 96% | 96% | 98% |
| Men | 96% | 96% | 98% |
| 2020 | | | |
| Women | 93% | 94% | 96% |
| Men | 93% | 94% | 97% |

Our Pay Gap Numbers / Pay Quartiles

Percentage of Employees at Each Pay Quartile

First Quartile: Lower

| | State Street Overall | SSBT | GA |
|-------|----------------------|------|-----|
| Women | 46% | 42% | 56% |
| Men | 54% | 58% | 44% |

Third Quartile: Upper Middle

| | State Street Overall | SSBT | GA |
|-------|----------------------|------|-----|
| Women | 32% | 30% | 33% |
| Men | 68% | 70% | 67% |

Second Quartile: Lower Middle

| | State Street Overall | SSBT | GA |
|-------|----------------------|------|-----|
| Women | 39% | 43% | 40% |
| Men | 61% | 57% | 60% |

Fourth Quartile: Upper

| | State Street Overall | SSBT | GA |
|-------|----------------------|------|-----|
| Women | 29% | 31% | 37% |
| Men | 71% | 69% | 63% |

What We Are Doing to Address Our Pay Gap

In January 2018 we reset our diversity goals with the goal of increasing representation of women at the highest levels of the organization.

While globally, we have made progress increasing the representation of women at the EVP and SVP level, we have not seen similar progress in the UK during this reporting period. To help ensure that we are building on the momentum we have seen globally, we have introduced additional levers both globally and in the UK to increase representation of women at all levels of the organization. These levers are outlined on the following pages and more information on our diversity goals is available at:

<https://www.statestreet.com/values/inclusion-diversity/diversity-goals.html>

What We Are Doing to Address Our Pay Gap (Continued)

Hiring and Compensation Practices

We require a diverse candidate slate and encourage a diverse interview panel for all Managing Director positions and above, and these tactics are highly recommended at other levels in the organization as well. To avoid compounding past pay inequities, our policy is to not ask for current compensation or compensation history for both internal and external hires for all positions. In addition, annual training is available to all managers on how to make fair and consistent compensation decisions for positions at all levels.

As part of our annual year-end planning, we review all compensation decisions with a focus on pay equity. Individual salaries are audited during the compensation pay period to ensure that any inconsistencies are reviewed and addressed.

Mentoring and Development

We actively support more than 24 employee networks with over 100 chapters around the world including groups who enable women and other diverse populations to develop and succeed. Our Professional Women's Network and Returners Network, which is aimed at supporting women coming back to work after having children, are two such examples. Further examples in the UK include the UK PRIDE & Friends Network, the Race and Ethnicity Network, the Families Network, and NextGen. These networks all promote diversity awareness and education, and offer volunteering opportunities, career development, and cultural expression. Last year, we also partnered with the Diversity Project to launch a cross-company returners pilot programme. Additionally, we offer informal mentoring programmes via organised development programmes, such as our

VP Accelerator programme; peer mentoring across different functions, divisions, and locations; situational mentoring; reverse mentoring; group mentoring; and traditional one-on-one mentoring with a senior peer.

Training

We run inclusive management training for all managers, and have unconscious bias training available for all employees globally. In addition, we are continuing to educate managers on how to lead with inclusion at the forefront of their actions and decisions.

Starting last year, we further enhanced our training offering by introducing Degreed – an enhanced interactive training platform available to all employees. Degreed offers an Inclusion, Diversity, and Equity pathway, with access to a comprehensive suite of internal and external trainings and programmes, as well as thought leadership materials relating to best practice and industry trends.

What We Are Doing to Address Our Pay Gap (Continued)

Talent Marketplace

In 2020, we introduced the State Street Talent Marketplace. We want to leverage our internal talent more thoughtfully and deliberately by creating a Marketplace to identify business demand for resources and match this demand to internal talent. In doing so, employees will be able to find new roles and managers will be able to find talent to meet their needs.

Through the Talent Marketplace, a greater focus has been placed on internal mobility. This is an innovative way for employees to access new roles, skills, and opportunities, and for managers to recruit internal talent. By broadening every employee's access to roles and by showing managers the full breadth of talent at State Street, our goal is to provide better pathways to success for all employees. Our Talent Marketplace plays a key role in driving greater career mobility of diverse talent at all levels of our company.

Hybrid Work

Flex work has been embedded in our company culture for more than 15 years. We are committed to attracting and retaining a performance-driven workforce to achieve our business goals and provide a high-level of service to our clients. We recognize that maintaining flexibility in how, when, and where work is done can be key in meeting these objectives.

As we now embrace hybrid working models following COVID, we are leading with flexibility. With this approach, we have maintained our ongoing commitment to flexibility in empowering employees and managers to determine the hybrid arrangement that works best. This has allowed us to reimagine and redesign the way we work – offering newfound flexibilities, better ways of working, and more effective ways of collaborating to create an equitable and inclusive environment, with no proximity bias.

Inclusion, Diversity, and Equity Performance Priority

In 2021, we introduced an Inclusion, Diversity, and Equity performance priority for all employees. This is required for all people managers and highly recommended for all other employees globally. Our senior leaders are also measured based on pre-defined leadership- and talent-related goals. These goals are intended to promote a focus on factors such as Inclusion, Diversity, and Equity; employee turnover; and leadership behaviors.

Making Progress

We are proud of the work we are doing to achieve a more inclusive, diverse, and equitable industry. We realize we can't do this alone and we need key partnerships.

- We are a proud member of the **UK 30% Club** that works to achieve greater representation of women on FTSE-100 boards. For the eighth consecutive year, State Street employees have taken part in the 30% Club Mentoring Scheme as both mentors and mentees.
- We support the **UK Diversity Project**, which aims to accelerate progress toward building an inclusive culture in the industry. Initiatives include the Returners Programme, Talk about Black, and LGBT Great.
- For the fifth consecutive year, State Street is a signatory for the **Women in Finance Charter**.
- We are a proud member of **Black Women in Asset Management** to help champion the positive impact of talented Black women.
- For the sixth consecutive year, State Street was recognized to **Bloomberg's Gender-Equality Index (GEI)** due to our efforts to foster a more inclusive and equitable workplace.
- In 2021, we were proud to once again have State Street leaders featured on **Yahoo Finance HERoes Women Role Model Lists**.
- In 2021, we launched a partnership with **Kahilla**, a digital professional development platform aimed at providing equitable access to leadership development.



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