

UK GENDER PAY GAP

2018 Report



At State Street we have one purpose: to create better outcomes for the world's investors and the people they serve. A diverse and talented workforce is at the heart of this purpose.

We are committed to advancing opportunities for women at all levels of our organisation. The levers we use to achieve this include mentoring and development, requiring a diverse candidate slate for all open positions, and policies and training for our managers.

While we have not yet achieved the results that we would like, we firmly believe that being clear and transparent about our current state and

where we have more work to do is an important part of holding ourselves accountable. We are steadfast in our commitment to improving our gender balance and pay gap, and recognise that this will take continued effort, dedicated focus and time to achieve.

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



A handwritten signature in white ink, appearing to read 'Liz Nolan'.

LIZ NOLAN
Chief Executive Officer, Europe, Middle East and Africa, Head of Global Delivery



A handwritten signature in white ink, appearing to read 'Cuan Coulter'.

CUAN COULTER
Head of Europe, Middle East and Africa, State Street Global Advisors



Our Pay Gap Numbers

In the UK, we report our gender pay gap numbers for two legal entities: State Street Bank and Trust Company London (SSBT) and State Street Global Advisors Limited (SSGA).

We also report our pay gap numbers in aggregate as “State Street Overall.” **Across all three reporting categories, our gender pay gap is a result of lower representation of women in more senior and higher-paying roles.*** Our overall and SSBT pay gap numbers remained largely the same year-over-year. However, the pay gap at SSGA widened due to a small number of male appointments to more senior and higher-paying roles.

* 2018 headcount figures:
Overall: 2,342 SSBT: 1,830 SSGA: 353

Pay Difference Between Men and Women			
	State Street Overall	SSBT	SSGA
2018			
Mean	15.7%	10.3%	30.9%
Median	19.0%	19.3%	17.5%
2017			
Mean	17.0%	15.3%	18.1%
Median	18.3%	19.1%	11.8%



Our Pay Gap Numbers / Bonus

Bonus Difference Between Men and Women

	State Street Overall	SSBT	SSGA
2018			
Mean	51.0%	43.9%	61.2%
Median	40.0%	38.5%	32.8%
2017			
Mean	47.9%	41.0%	54.0%
Median	39.0%	41.7%	24.0%

Percentage of Employees Who Received a Bonus

	State Street Overall	SSBT	SSGA
2018			
Women	91%	91%	93%
Men	91%	91%	96%
2017			
Women	91%	91%	88%
Men	92%	91%	93%



Our Pay Gap Numbers / Pay Quartiles

Percentage of Employees at Each Pay Quartile

First Quartile: Lower

	State Street Overall	SSBT	SSGA
Women	46%	44%	53%
Men	54%	56%	47%

Third Quartile: Upper Middle

	State Street Overall	SSBT	SSGA
Women	34%	34%	37%
Men	66%	66%	63%

Second Quartile: Lower Middle

	State Street Overall	SSBT	SSGA
Women	48%	49%	40%
Men	52%	51%	60%

Fourth Quartile: Upper

	State Street Overall	SSBT	SSGA
Women	32%	31%	36%
Men	68%	69%	64%



What We Are Doing to Address Our Pay Gap

Strong Diversity Goals

In 2018 we reset our diversity goals with three- and five-year targets. Achieving these goals will accelerate representation of women at the senior levels across our organisation, which is a key element in eliminating our gender pay gap. Additional levers are described on the following pages.

Gender Diversity Goals

	2018 Baseline	Three-Year Goal	Five-Year Goal
SVP+	28%	33%	36%
MD	32%	36%	37%
VP	34%	36%	38%
AVP	42%	43%	44%



What We Are Doing to Reduce Our Pay Gap

Hiring and Compensation Practices

We require a diverse candidate slate for all open positions. We have introduced a policy of not asking for compensation history for both internal and external hires to avoid compounding past pay inequities.

Mentoring and Development

We actively support more than 30 employee networks including groups aimed at helping women and diverse populations develop and succeed. Our Professional Women's Network is one such example. With more than 4,000 members across 26 chapters globally, the network focuses on professional development opportunities including internal consulting assignments, mentoring, training and networking.

Training

Our managers participate in annual training on how to make fair and consistent compensation decisions. As a final check, all salaries are audited by an internal committee to address any inconsistencies. We also recently rolled out an updated version of our unconscious bias training for all managers globally, and we are continuing to educate managers on how to lead with inclusion at the forefront of their actions and decisions. All employees have access to a wide range of training programs to enable them to be more effective in their day-to-day work and improve their leadership skills.

“We are constantly measuring and reviewing our practices to ensure that a culture of equality and fairness underpins everything we do.”



Jess McNicholas

Head of Global Inclusion, Diversity and Corporate Citizenship for Europe, Middle East and Africa



Making Progress

While we still have work to do to improve our pay gap, we are proud of the work we are doing to achieve a more inclusive industry.

- We are a proud member of the **UK 30% Club**, which works to achieve greater representation of women on FTSE-100 boards
- We support the **UK Diversity Project**, which aims to accelerate progress toward building an inclusive culture in the industry
- For the sixth consecutive year, we were named to The Times **“Top 50 Employers for Women,”** which highlights UK employers leading the way in workplace gender equality

- Also for the sixth consecutive year, *Working Mother* recognised us as one of the **“100 Best Companies”** for our progress in the advancement of women, work flexibility, childcare and paid parental leave
- Our executives are recognised for their work in advancing women in our industry, with two being named to the *Financial News* list of **100 Most Influential Women**, and another two, including our CEO, Ron O’Hanley, being recognised by the *Financial Times* and HERoes Champions of Women in Business 2018





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