

UK GENDER PAY GAP

2020 Report



STATE STREET®

At State Street, we are committed to inclusion and diversity because we know that both are key components of building a higher-performing organization.

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

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



CUAN COULTER
State Street UK Country Head and
State Street Global Advisors Head of EMEA



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 Branch (SSBT) and State Street Global Advisors (UK) Limited (GA). We also report our pay gap numbers in aggregate as “State Street Overall.”

Our year-over-year mean pay gap has improved across all three reporting categories – reducing by 1.8 percent, 0.8 percent, and 6.3 percent for State Street Overall, SSBT Co (UK) and GA respectively.

Similarly, our year-over-year mean bonus gap improved by 3.6 percent for State Street Overall, 8.5 percent for SSBT Co (UK) and 1.4 percent for GA.

Although the mean pay and bonus gaps have improved across all three reporting categories, the median bonus gap for State Street Overall increased by 4.5 percent, which is due to voluntary attrition in GA. More specifically, a higher number of males leaving GA at the AVP level and below has increased the male median bonus and therefore widened the gap to the female median bonus.

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

Pay Difference Between Men and Women

	State Street Overall	SSBT	SSGA
2020			
Mean	13.9%	8.9%	27.3%
Median	16.1%	17.4%	10.2%
2019			
Mean	15.7%	9.7%	33.6%
Median	21.6%	19.2%	20.6%

Our Pay Gap Numbers / Bonus

Bonus Difference Between Men and Women

2020	State Street Overall	SSBT	SSGA
Mean	42.0%	32.2%	53.3%
Median	44.5%	33.3%	56.4%
2019			
Mean	45.6%	40.7%	54.7%
Median	40.0%	35.8%	47.3%

Percentage of Employees Who Received a Bonus

2020	State Street Overall	SSBT	SSGA
Women	93%	94%	96%
Men	93%	94%	97%
2019			
Women	93%	94%	95%
Men	92%	93%	98%

Our Pay Gap Numbers / Pay Quartiles

Percentage of Employees at Each Pay Quartile

First Quartile: Lower

	State Street Overall	SSBT	SSGA
Women	44%	43%	54%
Men	56%	57%	46%

Third Quartile: Upper Middle

	State Street Overall	SSBT	SSGA
Women	33%	31%	36%
Men	67%	69%	64%

Second Quartile: Lower Middle

	State Street Overall	SSBT	SSGA
Women	42%	46%	39%
Men	58%	54%	61%

Fourth Quartile: Upper

	State Street Overall	SSBT	SSGA
Women	31%	33%	33%
Men	69%	67%	67%

What We Are Doing to Address Our Pay Gap

Setting Diversity Goals

In 2018 we reset our diversity goals with three and five-year targets.

Although we did not meet our three-year goal target at the end of 2020, we have seen growth in female representation across all bank titles since 2018. Over the three-year goal period (2018 – 2020) the female population increased by 2 percent for SVPs and above, 29 percent for MDs, 9 percent for VPs, and 7.5 percent for AVPs.

We have more work to do to achieve these goals, and have introduced additional levers to increase representation of women at all levels of the organization. These levers are outlined on the following pages.

Gender Diversity Goals

	2018 Baseline	Three-Year Goal	2020 Results	Five-Year Goal
SVP+	28%	33%	30.1%	36%
MD	32%	36%	32.1%	37%
VP	34%	36%	32.3%	38%
AVP	42%	43%	40%	44%

What We Are Doing to Reduce Our Pay Gap

Hiring and Compensation Practices

We require a diverse candidate slate and a diverse interview panel for all Managing Director positions and above. To avoid compounding past pay inequities, our policy is to not ask for compensation history for both internal and external hires for all positions.

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. In addition, managers participate in annual training on how to make fair and consistent compensation decisions for positions at all levels.

Mentoring and Development

We actively support more than 30 employee networks around the world including groups that

help women and diverse populations to develop and succeed. Our Professional Women's Network and our Returners Network, which is aimed at supporting women coming back to work after having children, are two such examples. This year, we will also be partnering with the Diversity Project to launch a cross-company returner's pilot program.

In 2019, GA launched its European Leadership Empowerment & Acceleration Program (eLEAP) – a sponsorship program for high-performing female Assistant Vice Presidents and Vice Presidents. Aimed at increasing the number of women at senior levels of the organisation, participants receive formal training, mentoring and learning opportunities and the opportunity to network with other professional women through the Financial Times 125 Women's Forum.

Training

We run inclusive management training for all managers and unconscious bias training is required 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.

This year, we have further enhanced our training offering by introducing Degreed – a new and interactive training platform which is available to all employees. Degreed offers an Inclusion, Diversity and Equity pathway, with access to a comprehensive suite of internal and external trainings and programs, as well as thought leadership materials relating to inclusion, diversity and equity best practice and industry trends.

What We Are Doing to Reduce 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 utilizing a Marketplace to identify business demand for resources and match this demand to internal talent. In doing so, employees are able to find new roles and managers are 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. Talent Marketplace plays a key role in driving greater diversity at all levels of our company.

Inclusion Diversity & 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. Managers will be required to demonstrate what they are doing to actively drive greater inclusion and diversity in their teams and to contribute to the enterprise gender diversity goals.

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** that works to achieve greater representation of women on FTSE-100 boards
- For the seventh 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





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3541201.1.1.GBL.RTL
Expiration Date: 04/30/2022