



STATE STREET CORPORATION GOVERNANCE STANDARDS RELATIVE TO THE INVESTOR STEWARDSHIP GROUP'S (ISG) CORPORATE GOVERNANCE FRAMEWORK

ISG Principle (for U.S. Listed Companies)

State Street's Governance Standards

Principle 1

Boards are accountable to shareholders

- All directors stand for shareholder election annually
- Majority voting standard in uncontested director elections, and directors not receiving majority support must tender their resignation for consideration by the Board
- Proxy access for shareholders
- Board annually reviews and approves Corporate Governance Guidelines to assist in the exercise of duties and responsibilities. These Guidelines, along with Board committee charters, standards of conduct and other governance information, are posted on State Street's website

Principle 2

Shareholders should be entitled to voting rights in proportion to their economic interest

- One class of common stock, with each share carrying equal voting rights (a "one-share, one-vote" standard)

Principle 3

Boards should be responsive to shareholders and be proactive in order to understand their perspectives

- Process in place for shareholders and interested parties to communicate with independent Lead Director
- Proactive annual shareholder outreach provides feedback for participating directors and relevant Board committees

Principle 4**Boards should have a strong, independent leadership structure**

- Strong independent Lead Director with clearly defined duties that are disclosed to shareholders
- Annual public disclosure of the Board's reasoning underlying its leadership structure and affirmation that the current leadership structure is appropriate
- Each of the Board's Examining and Audit, Human Resources, Nominating and Corporate Governance, Risk and Technology and Operations Committees has an independent chair

Principle 5**Boards should adopt structures and practices that enhance their effectiveness**

- 11 of 12 director nominees are independent
- Directors reflect a diverse mix of industry, regulatory, management, technology, risk and other backgrounds, experience and skills relevant to State Street's businesses and strategies
- 5 out of 12 director nominees are gender or racially diverse
- Active Board refreshment with 7 new directors in the last 5 years
- Key Board committees (Examining and Audit Committee; Human Resources Committee and Nominating and Corporate Governance Committee) are fully independent. State Street also has a Risk Committee, on which the Chairman serves along with 4 independent directors and a Technology and Operations Committee, on which the Chairman serves along with 5 independent directors
- Annual Board-level assessment of each director's contributions, skills, committee assignments and tenure when analyzing the overall composition and effectiveness of the Board
- Board has full and free access to officers and employees
- During 2020, each of the incumbent directors attended at least 75% of the total of all meetings of the Board and its committees on which the director served during his or her service as a director, and each of the 11 nominees who were then a director attended the 2020 annual shareholder meeting

Principle 6

Boards should develop management incentive structures that are aligned with the long-term strategy of the company

- Human Resource Committee evaluates corporate performance, individual performance and market compensation levels and expected trends when making total compensation determinations for the executive officers
 - Corporate performance is determined by assessing the company's financial, business and risk management performance relative to corporate goals set at the beginning of each year to drive our long-term strategy
 - Individual performance is determined by assessing each executive's financial, business and risk management performance relative to individual goals derived from the associated corporate goals, and based on each executive's role and responsibilities. Individual performance assessments also include an evaluation of each executive's leadership and talent-related performance, including performance against our diversity priorities
 - Corporate and individual performance assessments for Named Executive Officers are described in the annual proxy statement
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