



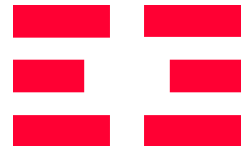
## State Street

Subsidiaries: Charles River, SPDR Funds

Locations: Massachusetts (HQ)

Industries: Diversified Financials

### RISK LEVEL:



High Risk

### DESCRIPTION:

State Street has exercised its large holding in big corporations to vote against board members who are not progressive or "diverse" enough and has implemented race-based hiring practices. State Street scored a 95 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. By complying with the HRC's controversial demands, State Street increases the risk of dividing employees, alienating customers and harming shareholders. The company covers transgender-related medical costs for its employees and their children and provides specific sexual orientation and gender identity-based benefits. It also uses sex and gender ideology criteria in employee recruitment, vendor selection, marketing, and philanthropic support. State Street forces employees to undergo multiple ideological trainings and uses its reputation, corporate funds, and political influence to support controversial sex and gender ideologies, organizations, and legislation. State Street provides a benefits package for employees which covers travel/lodging costs for an abortion and transgender medical procedures for covered employees and dependents, including children. The company has pledged over \$6 million to BLM and related causes. State Street is a member of the Ceres Network, Climate Action 100+, and the Net Zero Asset Managers Initiative. The company opposed various state and local legislation intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces. State Street denounced various states' legislative efforts to protect election integrity and security. For these reasons, State Street Corporation receives a High Risk rating.

### Corporate Weaponization

**Has denied service to customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries.** **High Risk**

*State Street received a score of 95 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. The company recruits employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (1)(2). In 2017, State Street voted against the reelection of directors at 400 companies because these companies did not have a woman on their board (3). State Street also imposes a climate-related agenda on companies, using ESG to push the agenda of Climate Action 100+ and other climate advocates (4). The SPDR ETF that State Street runs offers a fossil fuel reserves-free fund, which excludes energy companies offering fuel (5). The company is a signatory of the Principles for Responsible Investment, incorporating ESG issues into investment analysis, decision-making, and other business practices (6)(7).*

**Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs.** **High Risk**

*State Street RC CEI rating indicates the company will not donate to non-religious charities unless they embrace controversial sexual*

identity policies (1)(2).

**Employment policies fail to protect against discrimination based on political affiliation/views and/or religion.**

**High Risk**

State Street indicates the company forces employees to attend multiple, controversial trainings on gender identity, sexual orientation, transgender issues, and divisive racial ideology. The company provides gender transition guidelines for its employees and a specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2). State Street does not provide viewpoint protections for its employees (3).

## Corporate Governance and Public Policy

**Uses corporate reputation to support ideological causes and/or organizations hostile to freedom of expression.** **High Risk**

State Street's HRC 2023 CEI rating indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (1)(2). By doing so, the company risks dividing employees, alienating customers and harming shareholders. SSGA signed an open letter in support of the Equality Act (3). SSGA was part of the Freedom for All Americans coalition, which advocated for federal legislation that would overrule state laws designed to protect girls' sports and similar laws (4). The firm also recently implemented new race-based hiring practices that will require proof of interviewing a woman or ethnic-minority candidate before hiring a white man (5). State Street opposed the Florida Parental Rights in Education Act, which would prohibit teaching gender identity and sexual orientation to kids in K-3rd grade (6)(7). The CEO of SSGA, Ronald O'Hanley, is a member of the Business Roundtable, but has not supported ideological initiatives (9). State Street is a member of the Ceres Network and the Net Zero Asset Managers Initiative, committed to carbon neutrality by 2050 (10)(11)(12)(13). It also has ESG ETFs (14)(15). SSGA was a signatory of Climate Action 100+, but withdrew in 2024 as signatories were expected to start implementing climate transition plans and after legal investigations from state Attorneys General. A spokeswoman for SSGA "concluded the enhanced Climate Action 100+ phase 2 requirements for signatories are not consistent with [its] independent approach to proxy voting and portfolio company engagement" (16)(17)(18).

**Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression.** **High Risk**

State Street provides a benefits package for employees which covers travel/lodging costs for an abortion and transgender medical procedures for covered employees and dependents, including children (1)(2)(3)(4). The company's HRC 2023 CEI rating indicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology (5)(6). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders. State Street has pledged over \$6 million to the Black Lives Matter movement and related causes (7)(8). State Street is a copper sponsor of Out & Equal (9). State Street and its subsidiary, Charles River, are corporate partners of the National LGBT Chamber of Commerce (10).

**Uses corporate political contributions for ideological, non-business purposes.**

**High Risk**

State Street indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal

legislation or initiatives (1)(2). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. State Street has not used its political contributions for ideological purposes (3)(4)(5).

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