STATE STREET TO ACQUIRE BROWN BROTHERS HARRIMAN INVESTOR SERVICES

State Street Will Become the World's #1 Provider of Asset Servicing[1]

Brings Together Two Premier Businesses with Significant Scale to Drive Benefits for Clients and Shareholders

Earnings Accretion Expected in Year 1[2]

State Street Increases Pre-Tax Margin Medium-Term Financial Target

Boston and New York, September 7, 2021 – State Street Corporation (NYSE: STT) and Brown Brothers Harriman & Co. (BBH) today announced that they have entered into a definitive agreement for State Street to acquire BBH's Investor Services business, including its custody, accounting, fund administration, global markets and technology services, for $3.5 billion in cash. Following the transaction, BBH will continue to independently own and operate its separate Private Banking and Investment Management businesses. The parties are targeting year-end 2021 to complete the acquisition, subject to regulatory approvals and customary closing conditions.

BBH Investor Services is a global asset servicer with a track record of exceptional client service and deep expertise in cross-border, alternatives, ETFs, and other high-growth asset classes. As of June 30, 2021, BBH Investor Services had $5.4 trillion in Assets Under Custody (AUC), adding to State Street's $31.9 trillion in AUC.[3]

The acquisition is expected to advance State Street's strategy as an enterprise outsource solutions provider by creating the number one asset servicer globally,[1] strengthening competitive positioning, expanding geographic coverage and enhancing client experience.

"The Investment Servicing industry enjoys strong fundamentals as worldwide growth in financial assets drives industry revenues. This combination with BBH Investor Services helps us consolidate our position as the industry innovator and leader," said Ron O'Hanley, Chairman and Chief Executive Officer of State Street Corporation. "We are enhancing our leadership position across a range of services, augmenting our position in a number of key markets, growing relationships with many of the leading global asset managers and owners, and increasing our capabilities and scale. Additionally, BBH Investor Services brings us strong talent, including industry leading service excellence and quality execution."

"We made this decision after careful consideration of the current and future landscape of the global securities servicing industry, including how best to support and innovate for the growing breadth and complexity of our clients' servicing requirements," said Bill Tyree, managing partner of BBH. "State Street is the ideal partner – a

firm that shares our core values of unmatched client service, integrity, trust, and a long-term commitment to sustainability."

Upon closing of the transaction, BBH Investor Services employees will move to State Street. The senior management team will transition to State Street in executive leadership roles, and Seán Páircéir, currently partner and Global Head of Investor Services at BBH, will join State Street's Management Committee.

Transaction Details

The acquisition creates meaningful shareholder value by increasing State Street's earnings growth potential and its pre-tax margin medium-term target. As a result of the anticipated earnings growth from this transaction, State Street is now targeting an increased pre-tax margin of 31%.[4]

Post close, the transaction provides the potential for significant benefits for State Street shareholders from estimated fully-phased in expense synergies[5] of $260 million in year 3 as a result of efficiencies in operational systems and infrastructure, as well as overhead consolidation. Additionally, State Street has identified an estimated $35 million of EBIT from known balance sheet actions and $40 million of EBIT from estimated net revenue synergies[5] in Investment Servicing and Global Markets in year 3.

State Street expects the transaction will be primarily financed through the issuance of common equity, the suspension of common share repurchases before resuming during 2Q22, and cash on hand. The acquisition is expected to be accretive to earnings per share in year 1.[2]

Propels State Street's Core Strategy

Leveraging the best technology and capabilities from each company will enhance State Street's current set of product solutions for new and existing clients. BBH Investor Services brings innovative data connectivity tools to the broad marketplace that will be additive to State Street's product suite and provides a toolset that represents an important enhancement to its service offering. BBH Investor Services' Infomediary® platform, which facilitates data transmission and integration among buy-side and sell-side systems, will also support the State Street Alpha℠ platform and facilitate integration of clients onto the platform while mitigating future development cost. Adding BBH Investor Services' list of premier clients to State Street will also expand the base of potential users of State Street Alpha.

The addition of BBH Investor Services will further State Street's strategic goal of expanding and deepening its presence in key non-US markets, including developed markets such as Japan, Luxembourg, and Ireland, as well as Latin America, which State Street has targeted for growth.

Client Focused Organization with Deep Expertise

The transaction will also add additional depth to State Street's expertise in relationship management, client service, operations and technology that can be integrated across all of State Street's global client segments.

"One of the most attractive elements for us is BBH Investor Services' first-rate talent and team of professionals with client service excellence, which strengthens our value proposition and is completely aligned with our focus and vision of being our clients' enterprise outsourcer and essential partner," added O'Hanley.

"We found in State Street a partner who shares our singular focus on delivering exceptional client outcomes, without exception," said Páircéir, head of BBH Investor Services. "We are committed to adopting best practices from both organizations to create an unmatched offering for the world's most sophisticated asset managers and financial institutions."

Goldman Sachs & Co. LLC served as financial advisor and Davis Polk & Wardwell LLP served as legal advisor to State Street in connection with the transaction. Lazard served as financial advisor and Sullivan & Cromwell LLP served as legal advisor to BBH in connection with the transaction.

Conference Call

A conference call to discuss the proposed acquisition will be held at 8:00 a.m. ET today, on Tuesday, September 7, 2021. The call will be open to the public. A webcast of the conference call will be accessible on State Street's Investor Relations website, http://investors.statestreet.com, and by telephone at (866) 211-3118 or (647) 689-6605 (Conference ID# 9389324). A replay of the conference call will be available for approximately two weeks following the conference call on State Street's Investor Relations website, http://investors.statestreet.com, and by telephone at (800) 585-8367 or (416) 621-4642 (Conference ID# 9389324).

About State Street Corporation

State Street Corporation (NYSE: STT) is one of the world's leading providers of financial services to institutional investors including investment servicing, investment management and investment research and trading. With $42.6 trillion in assets under custody and/or administration and $3.9 trillion* in assets under management as of June 30, 2021, State Street operates globally in more than 100 geographic markets and employs approximately 39,000 worldwide. For more information, visit State Street's website at www.statestreet.com.

**Assets under management as of June 30, 2021 includes approximately $64 billion of assets with respect to SPDR® products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD and State Street Global Advisors are affiliated.*

About Brown Brothers Harriman

BBH is a privately-held, global financial services firm founded in 1818 and headquartered in New York City. It counts among its clients institutions, privately-held companies, families and wealthy individuals which it serves through its three business lines: Investor Services, Investment Management and Private Banking. The firm is known for its advanced technology, exceptional client service and selectivity.

BBH's Investor Services business provides cross-border custody, accounting, administration, execution and technology services to many of the world's leading asset managers and financial institutions. BBH's Investment Management and Private Banking businesses manage public and private securities portfolios, advise banking clients on strategic direction, provide debt financing and banking services and offer trust and estate services.

BBH, including BBH Investor Services, operates in over 90 markets worldwide from 17 offices. BBH employs approximately 6,000 professionals. For more information, please visit www.bbh.com.

Endnotes

1. World's #1 provider of asset servicing based on AUC. Source: Global Custodian, State Street, and BBH Investor Services internal analysis as of quarter-end 2Q21 excluding central securities depositories. AUC for BBH and certain peers based on internal analysis. State Street as reported based on Global Custodian. Also see endnote 3.
2. Expected earnings per share (EPS) accretion does not reflect estimated acquisition and restructuring costs. This is a non-GAAP presentation. See the slide presentation available on State Street's Investor Relations website and included in the presentation materials referenced above under "Conference Call" for a description of State Street's use of non-GAAP measures and related information. Non-GAAP financial measures should be considered in addition to, not as a substitute for or superior to, financial measures determined in conformity with GAAP.
3. As of June 30, 2021, Assets Under Custody and/or Administration (AUC/A) for State Street was $42.6 trillion.
4. Medium-term financial targets to be met by the end of 2023 or on a run-rate basis for FY2024. Pre-tax margin target assumes the closing of the announced acquisition of BBH Investor Services on December 31, 2021 (which closing is subject to regulatory approvals and customary closing conditions).
5. Gross cost synergies represent the reduction in pre-tax expenses achieved in a given year relative to 2020. Cost synergies are on an EBIT basis and do not reflect acquisition and restructuring costs. Revenue synergies primarily represent opportunities to provide access to State Street's broader range of FX products and platforms, expand share of wallet with clients and to redirect cash and deposits onto State Street's balance sheet. Revenue synergies are on an EBIT basis and are net of associated incremental operating costs.

FORWARD-LOOKING STATEMENTS

This News Release (and the conference call referenced herein) contains forward-looking statements within the meaning of United States securities laws, including statements about State Street's planned acquisition of BBH's Investor Services business and related business, financial, capital, staffing and operational effects and considerations.

Forward-looking statements are often, but not always, identified by such forward-looking terminology as "will" "expect," "target," "estimate," "potential," "plan," "can," "outlook," "guidance," "priority," "objective," "intend," "forecast," "believe," "anticipate," "seek," "may," "trend," "strategy" and "goal," or similar statements or variations of such terms. These statements are not guarantees of future performance, are inherently uncertain, are based on current assumptions that are difficult to predict and involve a number of risks and uncertainties. Therefore, actual outcomes and results may differ materially from what is expressed in those statements, and those statements should not be relied upon as representing our expectations or beliefs as of any time subsequent to the time this News Release is first issued.

Important factors that may affect future results and outcomes include, but are not limited to:

- The possibility that some or all of the anticipated business, financial, capital, staffing, operational or other benefits or synergies of the acquisition will not be realized when expected or at all, including as a result of the impact of, additional costs or unanticipated negative synergies associated with, or problems arising from, the integration of

BBH's Investor Services business (including challenges in transitioning clients, systems, technology or personnel), as a result of regulatory or operational challenges we may experience, as a result of disruptions from the transaction harming relationships with our clients, employees or regulators, or as a result of the strength of the economy and competitive factors in the areas where we and BBH's Investor Services business do business;

- The failure to obtain necessary regulatory approvals (and the risk that such approvals may result in the imposition of conditions that could adversely affect us or the expected benefits of the transaction, perhaps materially), to satisfy any of the other conditions to the acquisition or to arrange financing consistent with our expectations or at all, in each case, on a timely basis or at all; and, if delayed, the resulting effects, including in magnitude and timing of the expected financial benefits of the acquisition of BBH's Investor Services business, of a delayed closing of the acquisition (which expected financial effects are presented and determined assuming a closing date of December 31, 2021);
- The occurrence of any event, change or other circumstances that could give rise to the termination of the definitive purchase agreement in respect of the acquisition;
- Potential adverse reactions or changes to client, regulatory, business or employee relationships, including those resulting from the announcement or completion of the acquisition;
- Demand for the products and services of State Street and of BBH's Investor Services business;
- We are subject to intense competition, which could negatively affect our profitability;
- We are subject to significant pricing pressure and variability in our financial results and our AUC/A and AUM;
- Our development and completion of new products and services, including State Street Alpha, may involve costs and dependencies and expose us to increased risk;
- Our business may be negatively affected by our failure to update and maintain our technology infrastructure;
- The COVID-19 pandemic continues to create significant risks and uncertainties for our business;
- Acquisitions, strategic alliances, joint ventures and divestitures, and the integration, retention and development of the benefits of our acquisitions, pose risks for our business;
- The integration of BBH Investor Services may be more difficult, costly or time consuming than expected, and the anticipated benefits and cost synergies may not be fully realized;
- Competition for qualified members of our workforce is intense, and we may not be able to attract and retain the highly skilled people we need to support our business;
- We could be adversely affected by geopolitical, economic and market conditions;
- We have significant International operations, and disruptions in European and Asian economies could have an adverse effect on our consolidated results of operations or financial condition;
- Our investment securities portfolio, consolidated financial condition and consolidated results of operations could be adversely affected by changes in the financial markets;
- Our business activities expose us to interest rate risk;
- We assume significant credit risk to counterparties, who may also have substantial financial dependencies with other financial institutions, and these credit exposures and concentrations could expose us to financial loss;
- Our fee revenue represents a significant portion of our consolidated revenue and is subject to decline based on, among other factors, the investment activities of our clients;

- If we are unable to effectively manage our capital and liquidity, our consolidated financial condition, capital ratios, results of operations and business prospects could be adversely affected;
- We may need to raise additional capital or debt in the future, which may not be available to us or may only be available on unfavorable terms;
- If we experience a downgrade in our credit ratings, or an actual or perceived reduction in our financial strength, our borrowing and capital costs, liquidity and reputation could be adversely affected;
- Our business and capital-related activities, including common share repurchases, may be adversely affected by capital and liquidity standards required as a result of capital stress testing;
- We face extensive and changing government regulation in the jurisdictions in which we operate, which may increase our costs and compliance risks;
- We are subject to enhanced external oversight as a result of the resolution of prior regulatory or governmental matters;
- Our businesses may be adversely affected by government enforcement and litigation;
- Any misappropriation of the confidential information we possess could have an adverse impact on our business and could subject us to regulatory actions, litigation and other adverse effects;
- Our calculations of risk exposures, total RWA and capital ratios depend on data inputs, formulae, models, correlations and assumptions that are subject to change, which could materially impact our risk exposures, our total RWA and our capital ratios from period to period;
- Changes in accounting standards may adversely affect our consolidated financial statements;
- Changes in tax laws, rules or regulations, challenges to our tax positions and changes in the composition of our pre-tax earnings may increase our effective tax rate;
- The transition away from LIBOR may result in additional costs and increased risk exposure;
- Our control environment may be inadequate, fail or be circumvented, and operational risks could adversely affect our consolidated results of operations;
- Cost shifting to non-U.S. jurisdictions and outsourcing may expose us to increased operational risk and reputational harm and may not result in expected cost savings;
- If we, or the third parties with which we do business, experience failures, attacks or unauthorized access to our or their respective information technology systems or facilities, or disruptions to our continuous operations, this could result in significant costs, reputational damage and limits on our business activities;
- Long-term contracts expose us to pricing and performance risk;
- Our businesses may be negatively affected by adverse publicity or other reputational harm;
- We may not be able to protect our intellectual property;
- The quantitative models we use to manage our business may contain errors that could result in material harm;
- Our reputation and business prospects may be damaged if our clients incur substantial losses or are restricted in redeeming their interests in investment pools that we sponsor or manage;
- The impacts of climate change could adversely affect our business operations;

- We may incur losses as a result of unforeseen events including terrorist attacks, natural disasters, the emergence of a new pandemic or acts of embezzlement.

Other important factors that could cause actual results to differ materially from those indicated by any forward-looking statements are set forth in our 2020 Annual Report on Form 10-K and our subsequent SEC filings. We encourage investors to read these filings, particularly the sections on risk factors, for additional information with respect to any forward-looking statements and prior to making any investment decision. The forward-looking statements contained in this News Release (and the conference call referenced herein) should not by relied on as representing our expectations or beliefs as of any time subsequent to the time this News Release is first issued, and we do not undertake efforts to revise those forward-looking statements to reflect events after that time.