

Gender pay gap report

In accordance with UK legislation, Vanguard has calculated the below gender pay gap data to show the difference in average pay and bonuses between all men and women in our UK workforce.

Our data

At Vanguard in the UK, we have equal pay between men and women when comparing like roles (jobs of the same grade level with similar impact, scope, complexity and knowledge). We continue to have a pay gap that is driven by having more men in senior management positions. Vanguard has made substantial progress in increasing the representation of women in senior roles across the organization, which has contributed to the continued progress in closing the pay gap.

Vanguard's UK data (as of 5 April 2020)

- Our mean gender pay gap is 24.4%
- Our median gender pay gap is 16.0%
- Our mean bonus gender pay gap is 34.6%
- Our median bonus gender pay gap is 27.2%
- The proportion of employees receiving a bonus is 90.9% for males and 93.4% for females

The quartile breakdown for pay is as follows:

Quartile	Males	Females
Lower Quartile	45.7%	54.3%
Lower Middle Quartile	58.4%	41.6%
Upper Middle Quartile	63.0%	37.0%
Upper Quartile	67.5%	32.5%

Progress, and our plans to accelerate diversity, equity, and inclusion

At Vanguard, we're committed to building diversity in the workplace and fostering an inclusive environment. We understand that the two components work together to enable our success, differentiate us from our competitors, and help us attract diverse talent and prospective clients that reflect the markets in which we serve.

Last year, we continued to increase female and minority representation within leadership and more senior roles at Vanguard, and it continues to be a key priority going forward. We're pleased with the many programmes and initiatives we have in place today to advance diversity and inclusion, such as robust recruiting strategies to attract diverse talent for all roles, formal and informal learning opportunities, and crew resource groups such as the Women's Initiative for Leadership Success.

However, we recognise that there's still more work to do both internally and externally to ensure all crew and the future talent of tomorrow have the resources to succeed and advance at Vanguard.

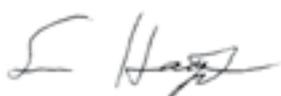
Vanguard's chief diversity officer solely focuses on developing strategies to strengthen diversity and inclusion and measuring our success. This role, in partnership with the Diversity Leadership Team, a dedicated team of senior leaders responsible for driving inclusion and engagement strategies throughout the enterprise, work together to drive our vision and increase diverse representation in our more senior positions.

All Vanguard Europe leaders completed targeted training on their role in inclusion, and Vanguard maintains an inclusion toolkit for leaders to assist them in applying the lens of diversity along the entire crew lifecycle, from recruiting to development, to retention.

We are confident that the measures outlined above will continue to have success in increasing female representation in senior roles, which will further reduce the gender pay gap.

Measure	2017 Gap	2018 Gap	2019 Gap	2020 Gap	2017-2020 Reduction in Gap
Mean Gender Pay Gap	30.1%	20.0%	22.8%	24.4%	19%
Median Gender Pay Gap	23.9%	18.1%	14.2%	16.0%	33%
Mean Bonus Pay Gap	56.3%	56.1%	40.2%	34.6%	39%
Median Bonus Pay Gap	53.4%	50.4%	36.4%	27.2%	49%

I confirm that this data is accurate.



Sean Hagerty
Head of Europe