

# Gender Pay Gap report 2024

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, our aspiration is to create an inclusive and equitable work environment that reflects a diverse community of talents and drives our mission to provide investors with the best chance for investment success. We strive to integrate the three components of diversity, equity and inclusion (DEI) as we create the conditions for all employees (we refer to as crew) to thrive.

The Gender Pay Gap measures the difference in average pay between men and women's pay expressed relative to men's pay. This is not the same as equal pay, which refers to men and women being paid equal pay for equal work or comparable work. It is possible to have a gender pay gap without having an equal pay gap.

At Vanguard, we are confident we have equal pay between men and women when comparing like roles across our business at the same grade levels with similar impact, scope, complexity and knowledge.

Since we published our first report in 2017, we have made progress on our gender pay gap. Our ordinary mean pay gap then was 30.1% and the ordinary median pay gap was 23.9%. However, we acknowledge that we are not yet where we would like to be. Our UK data as of 5 April 2024 compared to 2023 is as follows:

	2024		2023	
	Mean	Median	Mean	Median
Ordinary Pay Gap	11.3%	12.8%	13.0%	15.5%
Bonus Pay Gap	30.1%	26.5%	32.4%	18.6%

The proportion of employees receiving a bonus during this reporting period is 87.8% for men versus 88.7% for women.

The mean represents the average of the data set, whilst the median is the middle value of the data set when arranged in ascending order.

The proportion of women and men across four equally sized pay quartiles is outlined below. These quartiles are calculated by ranking hourly ordinary pay for each employee across Vanguard UK from the highest to the lowest, irrespective of role, seniority, or business unit. The list is then divided into four equal sized groups of women and men.

As shown, we have a higher proportion of men in the higher pay quartile and fewer women. This is the key driver of our gender pay and bonus gaps.

Pay Quartile	Lower Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile
Men	52.1%	56.4%	66.5%	67.1%
Women	47.9%	43.6%	33.5%	32.9%

## What are we doing at Vanguard to narrow the gender pay gap?

At Vanguard, we aspire to create a diverse, inclusive and equitable work environment for all at every level of our organisation in which our employees can leverage all their skills and thrive. We believe that diverse teams will help us seize opportunities and solve problems - today's and tomorrow's. Our differences strengthen our teams to make better decisions, unleash innovation and creativity and produce better results for our clients.

We demonstrate this commitment by integrating inclusive and equitable practices and processes across the talent lifecycle designed to create the conditions for all crew to thrive.

We continue to evolve our DEI strategy to a comprehensive Talent Strategy integrated into the crew lifecycle. This approach is a continuation of our ongoing commitment to inclusion, designed to drive inclusive and equitable practices and ensure all crew members can thrive. By embedding inclusion throughout the talent lifecycle, we aim to enhance our culture and performance.

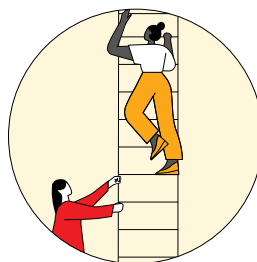
## Vanguard's inclusive culture fuels our mission. We are driven by our four values:



**Care:** we care for our mission, care for our clients and care for each other.



**Inclusion:** we make better decisions when we foster a diverse community of talents and an inclusive environment allowing all crew to perform at their best.



**Integrity:** we do the right thing. Our ethics must be uncompromising to earn and keep our clients' trust.



**Tenacity:** we have the courage to pursue our ambitious goals on behalf of our investors but are humble enough to know that not all ideas will work. We must learn, adapt and keep at it.

We integrate our values through communications, programmes and recognition. Our culture is powered by our values, which describe how we show up each day and direct our decisions and actions.

## **Our crew led community**

Our Crew Resource Groups (CRGs) are a key component to our DEI strategy and inclusive workplace culture. The CRGs connect crew to a supportive and engaged network, often offering unique development and acumen-building opportunities to members. Sponsored by our executive team, the resource groups are crew led and open to all to participate in. This creates an engaged community of supportive allies who serve as ambassadors across the business.

Our Women's Initiative for Leadership Success (WILS), which currently has community members and allies, is one such resource group. Its mission is to cultivate an inclusive community where all women at Vanguard feel equipped, engaged and empowered and experience a sense of belonging. They do this through the provision of experiences, information and programmes that promote and enrich development experiences.

The European arm of the Women's Initiative for Leadership Success (WILS) has developed and facilitated an annual Big Sibling mentorship programme over the past several years. In 2024, the experience welcomed all crew from Europe to participate and benefit from the programme. This approach has the benefit of widening the pool of mentors and creates the opportunity to broaden the network's impact even further.

The programme continues to go from strength to strength, with 125 mentor/mentee pairs in 2024. This programme is managed end-to-end by WILS and is a testament to the impact our CRGs have on our DEI efforts.

## **Inclusive practices across the talent lifecycle**

We are committed to inclusive hiring practices to create the best experience for candidates and better outcomes for the business. Our leaders are required to participate in training that strengthens their acumen in these practices which supports them to make good hiring decisions. We continue this focus throughout the talent lifecycle with inclusive practices incorporated into our development and performance strategies.

Our DEI learning curriculum continues to be an important component in supporting the conditions for all crew to thrive. We offer crew and leaders a range of experiential courses to build their acumen at various stages of their career. Our curriculum offers both the foundational DEI training and more in-depth education, including practical coaching on overcoming barriers to inclusion for all, recognizing and addressing bias, and exploring ways to advance equity for all communities. As more crew engage with our DEI learning curriculum and experiences, we see stronger inclusion sentiment within our teams.

## **Development and retention**

Developing and retaining our senior women talent is key to our talent strategy. One such program which supports this is Managing Inclusive Partnerships (MIP). MIP enables crew and their leaders to have structured, open conversations aimed at increasing understanding and empathy and fostering growth. This immersive experience equips crew and leaders to invest in their relationships using tools and resources that can help them cultivate more inclusive partnerships. Deepening relationships between crew and their leaders is a key driver of retention.

Strengthening the capabilities of our people leaders continues to be a focus under our Leadership Excellence programme. We continue to deliver our Inclusive Leadership module, with in-person workshops and community of leader discussions. This included a workshop on 'Leading without Bias' providing practical strategies to foster a psychologically safe environment for all communities and empower diverse perspectives. Our in-person training is underpinned by an immersive online tool which helps our leaders practice inclusive conversations.

## Enabling inclusive storytelling

Recognising that everyone's career journey is unique and has the potential to inspire others, we invite crew to share their experiences with colleagues through a variety of platforms, including blogs and videos. Telling our stories and listening to others inspires inclusion for all through connection, empathy and learning through different perspectives. An example is I am IN, a video series featuring stories of crew working in our UK office.

The 2024 launch of our Employee Value Proposition (EVP) invited leaders and crew to share their personal experience with how they relate and experienced our EVP way of working; noble work, how we work and how we grow. Facilitated by members of the European Leadership team, a series of workshops enabled crew to connect with their peers and bring our EVP to life through the exchange of storytelling and connections.

## Looking ahead

Vanguard is committed to creating the conditions for all crew to thrive fostering a culture that all crew can access and enjoy the same opportunities.

We recognise that there is still more work to do to embed the conditions for all crew and the future talent of tomorrow to thrive at Vanguard.



A handwritten signature in black ink, reading 'Jon Cleborne'.

**Jon Cleborne**  
Head of Europe