



Gender pay gap report

In accordance with UK legislation, Vanguard has calculated the below gender pay gap data to show the difference in average and median 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 do, however have a pay gap that is driven by having more men in senior management positions.

Vanguard's UK data (as of 5 April 2018)

- Our mean gender pay gap is 20.0%
- Our median gender pay gap is 18.1%
- Our mean bonus gender pay gap is 56.0%
- Our median bonus gender pay gap is 50.4%
- The proportion of employees receiving a bonus is 94.0% for males and 92.6% for females

The quartile breakdown for pay is as follows:

Quartile	Males	Females
Lower Quartile	44.9%	55.1%
Lower Middle Quartile	55.7%	44.3%
Upper Middle Quartile	63.6%	36.4%
Upper Quartile	71.6%	28.4%

Progress, and our plans to accelerate diversity 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.

We have increased 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 including the Women's Initiative for Leadership Success, and Accelerate, a development program for women to develop the skillsets needed to advance through their careers. 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 has built on the momentum of our accomplishments by appointing a chief diversity officer who will solely focus on developing strategies to strengthen diversity and inclusion and evaluating our success. This role, in partnership with the Diversity Leadership Team, a dedicated team of senior leaders responsible for driving strategy throughout the enterprise, will work together to drive our vision and increase diverse representation in our more senior positions. We'll work to drive balance through the rest of the senior leadership ranks.

Our gender pay gap narrowed across the four reportable measures, and the proportion of both males and females receiving a bonus increased year over year. We are confident that the measures we are taking outlined above will continue to have impact and reflect on the year over year progress shown below.

Measure	2017 Gap	2018 Gap	Reduction in Gap
Mean Gender Pay Gap	30.1%	20.0%	33.4%
Median Gender Pay Gap	23.9%	18.1%	24.5%
Mean Bonus Pay Gap	56.3%	56.1%	0.4%
Median Bonus Pay Gap	53.4%	50.4%	6.3%

I confirm that this data is accurate.

Sean Hagerty
Head of Europe