



2024 REPORT

# Diversity, Equity, and Inclusion

**Vanguard**<sup>®</sup>

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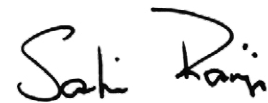
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## Introduction from Vanguard CEO Salim Ramji

Welcome to Vanguard's 2024 Diversity, Equity, and Inclusion report. I've long admired Vanguard's mission to take a stand for all investors, to treat them fairly, and to give them the best chance for investment success. Having joined Vanguard earlier this year, I have also gained a deeper appreciation for our firm's commitment to diversity, equity, and inclusion. I can see the impact of this commitment in how we serve clients, how we support our communities, and how we develop all of our crew.

During the course of my professional and personal journey, I have seen firsthand how diverse voices drive innovation and growth. Equity ensures everyone receives the resources they respectively need to thrive, and inclusion creates an environment that welcomes and respects diverse perspectives. At Vanguard, an enduring commitment to a healthy and diverse workplace has fueled our mission for decades. It's a responsibility we uphold at the highest levels. Our DEI Executive Council, which includes myself and every member of the executive team, will continue to ensure we stay focused on making continued progress. Headwinds are inevitable in this journey, but they serve as reminders that we are steadfast in our focus.

Thank you for your dedication. I'm excited about the future we'll build together.



**Salim Ramji**

Vanguard Chief Executive Officer



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## An enduring commitment

Vanguard's mission is enduring—to take a stand for all investors, to treat them fairly, and to give them the best chance for investment success. So is our commitment to DEI. We believe that a diverse community of talent nurtured in an inclusive culture is an imperative part of how we deliver value to our clients. And equity is core to ensuring that everyone has the opportunity to contribute in a meaningful way.

We continue to focus on our aspirations and the attraction, retention, and advancement levers that help us achieve these. This year, we have embarked upon a journey to evolve our crew listening experience and the way we engage to understand their inclusion sentiments. We're hosting greater accountability by measuring inclusion at the team level, as local experiences tend to have a greater impact on crew experience. We're also gaining richer insights by probing with questions that recognize the intersection of belonging and uniqueness and assess crew access to inclusive leadership.

Externally, our Institutional Investor Group has shared two studies that offer insights for plan sponsors and policymakers that can lead to more equitable outcomes for retirement plan participants. We're also excited about our emerging philanthropic focus on

financial well-being and a community portfolio that aims to fund initiatives that promote financial stability and economic mobility in marginalized communities.

This report offers a look at our approach and progress thus far. Just as important, it celebrates our crew and our culture of care. In a time where our communities around the world are contending with so many geopolitical issues, our investment in our crew continues to strengthen and connect us. That strength and connectedness is crucial to our collective growth and our ability to deliver on our noble mission. We are proud of what we've accomplished but focused on the work we must continue to do. We are grateful for the support of our board, executive leadership team, clients, crew, and partners as we look forward to the path ahead.

*Crystal Hardie Langston*

**Crystal Hardie Langston**

Principal, Global Head of Diversity, Equity, and Inclusion & Community Stewardship



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## At Vanguard, we're different by design

Our commitment to DEI is integral to our mission: to take a stand for all investors, to treat them fairly, and to give them the best chance for investment success.

At Vanguard, we don't just have a mission. We are on a mission.

**We're on a mission for our clients**, with an intense focus on their long-term financial interests.

**We're on a mission with each other**, through our commitment to a common purpose and our community connections.

**We're on a mission to be our best** by continuously learning and building enduring skills.



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## Facts and figures

 **50M+**

**More than 50 million individual investor clients worldwide**

As of December 31, 2023.

 **426**

**Number of funds offered globally**

210 in the U.S. and 216 internationally

As of September 30, 2024.

 **20,000**

**Approximate number of employees worldwide**

As of December 31, 2023.

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## Locations

### 8 in North America

- Malvern, Pennsylvania
- Charlotte, North Carolina
- Scottsdale, Arizona
- Oakland, California
- Washington, D.C.
- Dallas, Texas
- Toronto, Canada
- Mexico City, Mexico

### 1 in Australia

- Melbourne

### 7 in Europe

- London, United Kingdom
- Manchester, United Kingdom
- Frankfurt, Germany
- Amsterdam, Netherlands
- Dublin, Ireland
- Milan, Italy
- Zurich, Switzerland

# Nurturing a diverse community of crew



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## Our DEI principles

The principles of DEI each have their own specific focus and work together to create an environment where a diverse community of crew aren't only represented but feel valued, supported, and nurtured.

### Diversity

Diversity generally refers to the differences between people within teams, companies, and communities. Diverse teams are more innovative and make better decisions than homogeneous groups. We need diverse teams solving today's problems while anticipating tomorrow's. **Our differences make us stronger and help us produce better results for our clients.**

### Equity

Equity refers to fair treatment, access, opportunity, and advancement for all while striving to acknowledge different needs and identify and eliminate barriers that have prevented the full participation of some groups. **Fostering inclusion for all can only be fully achieved through equitable practices that help us build on our strengths by providing more opportunities for more crew to develop and thrive.**

### Inclusion

Inclusion accounts for the behaviors and norms that ensure all people feel welcome, valued, and like they belong. Inclusion embraces difference. **Inclusion enables our organization to leverage the benefits that diverse teams bring.**





# Our enterprise DEI strategy

We aspire 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 aim to have every level of leadership reflect the gender and racial diversity of our crew population and to create an inclusive and equitable environment that fosters individual and collective growth.

Our internal DEI strategy is focused on the **attraction, advancement, and retention** of underrepresented talent so that all crew can thrive in an inclusive environment. We're also enabling leaders and crew through ongoing education, communications, and analytics and insights that sharpen our focus.

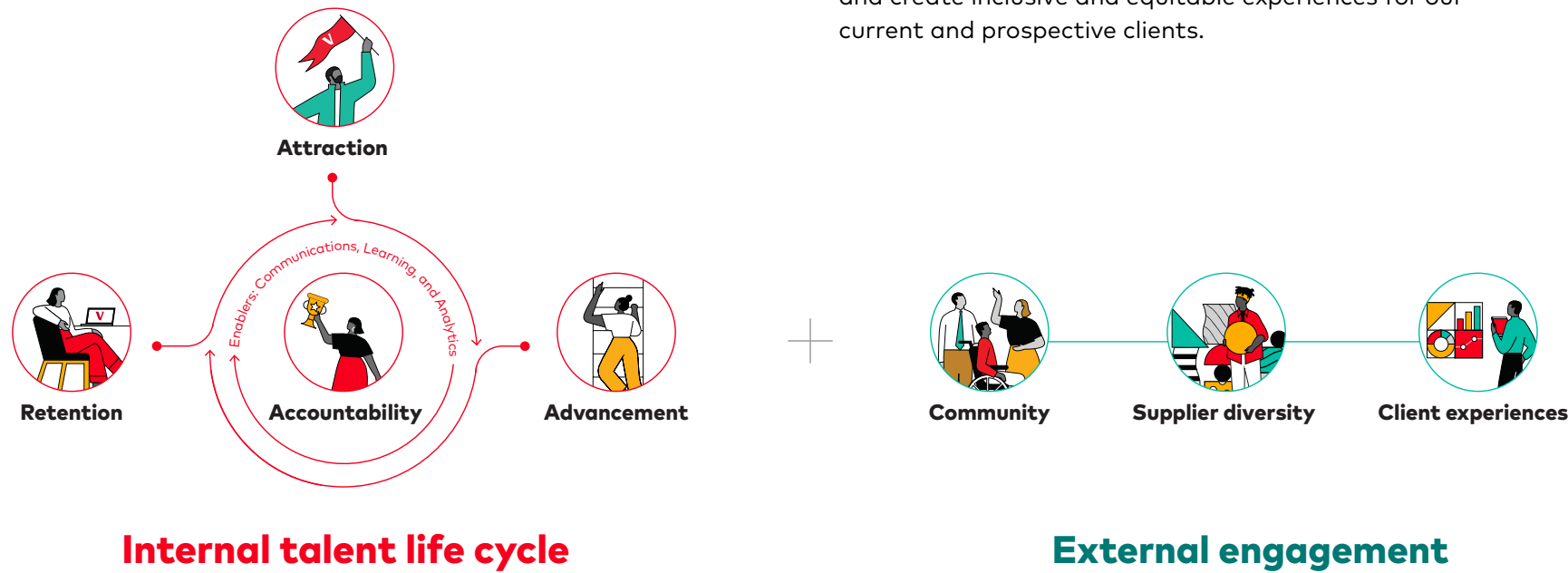
Our approach extends to the ways we **engage the world around us**. We've taken steps to strengthen our local communities, work with a diverse community of suppliers, and create inclusive and equitable experiences for our current and prospective clients.

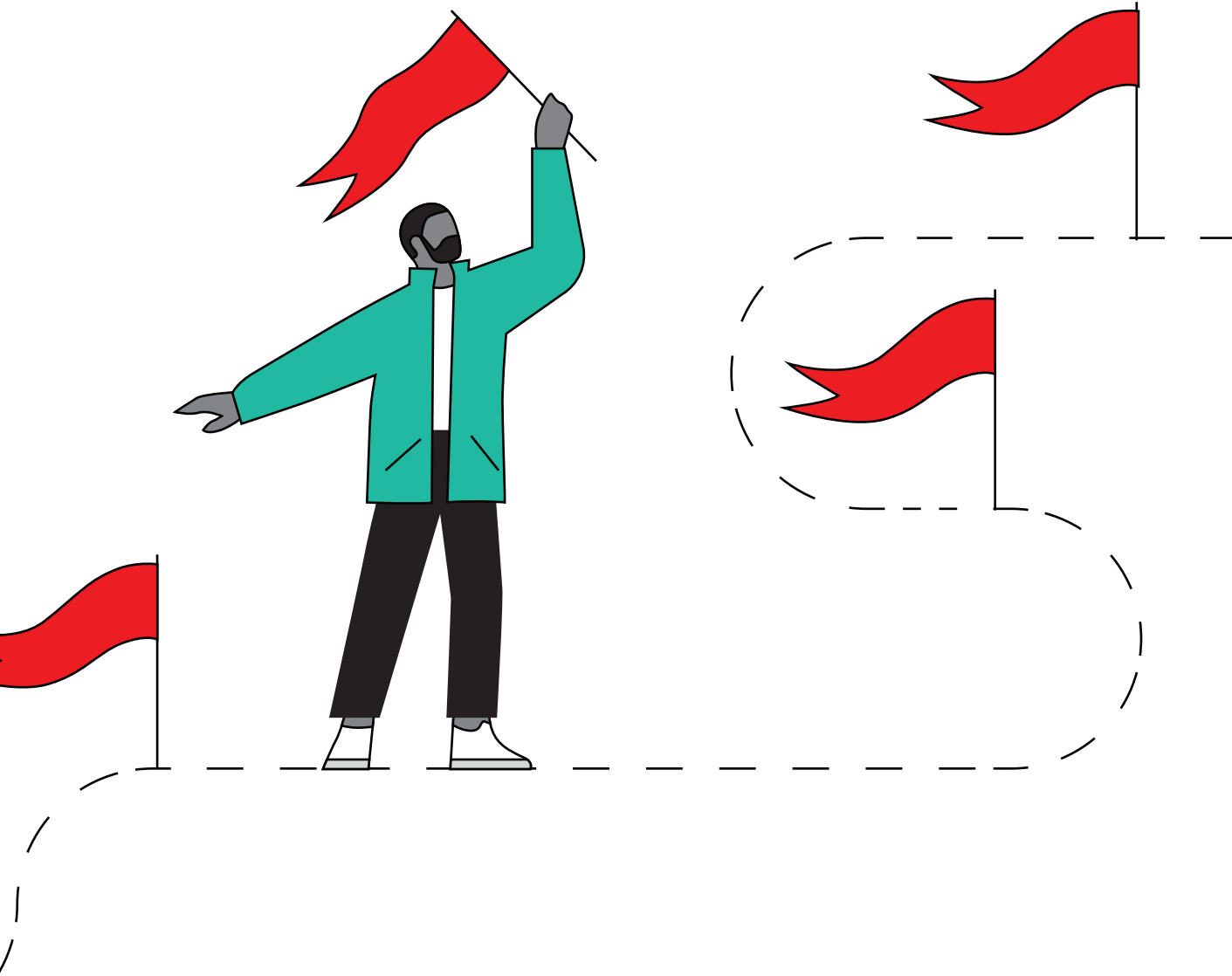


**Matt Benchener**

Managing Director, Head of Personal Investor

“ We want to have the best talent possible thriving in the best possible work environment. That combination helps us best serve our clients. Sometimes DEI is thought of as something that's done on the side. That's not true. It's core to who we are and how we lead because it's core to how we think about talent as a firm.”





**Our enterprise DEI strategy**

**Attraction**

Anchored by a mission to strengthen access to opportunities at Vanguard, our Diversity Recruiting Strategies team leads our efforts to access and engage with a diverse community of talent at all career stages.



## Attraction highlights

### Inclusive hiring

We've invested in inclusive hiring practices to strengthen equitable access to opportunities while creating inclusive experiences for candidates. As a result of this investment, diverse representation among new hires has increased at all levels of the organization.

Our data shows that we're **1.4 to 2.8 times** more likely to yield a diverse community of hires when our candidate pools are diverse.\*

In recent years, the Diversity Recruiting Strategies team has also worked to embed inclusive hiring practices across enterprise recruiting efforts. Recruiters are trained on bias disruption, and all managers are expected to complete an "Inclusive Hiring" training course, both of which reinforce equitable hiring processes and strengthen leaders' ability to recognize and mitigate bias in the process.



**Tiffany Haley**

Principal, Global Talent Acquisition

“ We have a responsibility to build relationships with talent on behalf of Vanguard and always have our eye on folks whose values align with ours, who are mission-oriented, and who have the critical skills we need for our next chapter. We meet candidates where they are, making sure they're hearing an authentic, credible voice about what it means to be a part of Vanguard.”



**Camila Jauregui**

Internal Sales Executive

“ When I saw people that looked like me in executive positions, I knew Vanguard valued diversity—and I wanted to be a part of that story.”

\*As of June 30, 2024.

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## Talent pipeline strategies

### Partnering with Minority Serving Institutions

Alongside our engagement with a wide array of colleges and universities, we've strengthened our strategic partnerships with Minority Serving Institutions, including Historically Black Colleges and Universities and Hispanic-Serving Institutions. Year to date, the number of talented student candidates from these schools has increased by 20% from last year because of our broad reach to a variety of schools within the MSI ecosystem.

Through these partnerships, we've developed high-impact experiential learning opportunities for students to explore Vanguard's broad variety of career paths. Our annual North Star Sophomore Experiential Learning Program and our HBCU EXPLORE and Latinx EXPLORE programs welcome undergraduate students from across the U.S. to network with Vanguard leaders and enhance their professional development.

We also include MSI faculty and administrators in our programming. By nurturing relationships with these university leaders, we've gained engaged ambassadors who can help students explore financial services and investment management career paths and Vanguard opportunities in more depth.

### Nurturing future sales professionals

Vanguard continues to partner with the Howard University School of Business on the Howard Sales Management Fellowship program. Now in its fourth year, this exciting initiative identifies and develops students for sales careers through course development, workshops, and job placement. As part of the initiative, Vanguard also offers a faculty externship. This short-term engagement with educators and administrators gives them an inside view of the asset management industry, enabling them to align curriculum to the skills needed in the industry and strengthen the talent pipeline.

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## Talent pipeline strategies

### Creating paths for neurodivergent job seekers

Our commitment to engaging with diverse communities of talent includes a focus on the neurodiverse community. We've established an ongoing partnership with Auticon, a job placement firm in Australia specializing in candidates on the autism spectrum.

Through our broader strategy, which includes relationships with the Neurodiversity Employment Network, CAI Neurodiverse Solutions, and Neurodiversity in the Workplace, we've been able to widen our pool of prospective talent for careers at Vanguard. NITW has also facilitated acumen-building workshops with our current IT crew to further encourage a neuro-inclusive environment at Vanguard. In addition, we've partnered with targeted university programs serving neurodiverse students, including programs at Drexel University and West Chester University. Recently, Vanguard participated in West Chester University's CALM event, a reverse career fair that allows students to highlight their skills and abilities through digital portfolios that showcase their talents.

### Strengthening professional partnerships

Vanguard has strong partnerships with an array of nonprofit organizations focused on identifying and developing high-achieving talent from underrepresented communities. One example is the Association of Latino Professionals for America, which has been a premier partner since 2017. For the past two years, Vanguard has hosted the ALPFA Northeast Regional Tech Summit at our Malvern, Pennsylvania, campus.

Through a relationship with Blavity, Inc., a global technology, information, and media corporation, we have a proud partnership with AfroTech, which hosts an annual gathering of inclusive tech companies and innovators. In 2023, we attended AfroTech as a sponsor, engaging with over 25,000 Black technologists and allies from across the world.



## Attracting talent around the world

### Australia

We partner with Banking on Women, a student-led society at the University of Melbourne that champions gender diversity in the financial and professional services industries. This partnership offers students access to seasoned professionals in their field of interest, and graduates gain exposure to potential future employers. Vanguard Australia also partners with the Australia chapter of Women in ETFs and recently hosted an event in collaboration with our womens' crew resource group focused on reaching gender parity in the workplace.



### Europe

In Europe, we partner with Investment20/20, a London-based organization dedicated to creating a more diverse investment industry via internship experiences. Over the past four years, we've hosted trainees across a broad range of business areas, some of whom have converted to permanent roles at Vanguard. We've also recently partnered with The Brokerage, an organization that supports young people from underserved communities in achieving their career potential. Through this partnership, crew from our investment teams serve as mentors, sharing important skills and knowledge about the investment management industry with a diverse community of students aged 16 to 25.

### Mexico

A recent event sponsored by our Women's Initiative for Leadership Success (WILS) crew resource group brought leaders and clients together for a dialogue on ways to evolve and strengthen gender equity in the workplace in Mexico.

### Canada

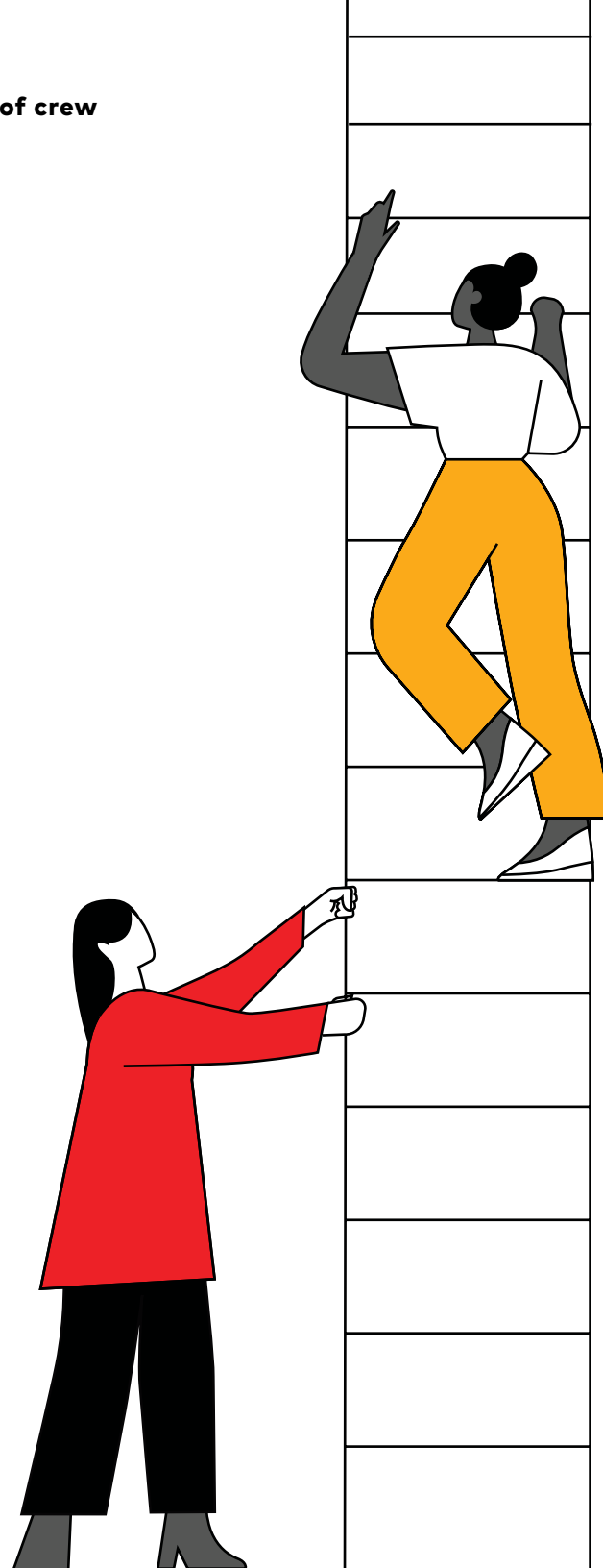
Vanguard Canada partners with Women in ETFs Canada Chapter to help build a pipeline of women leaders for the Canadian ETF industry. Vanguard Canada supports this objective through participation in the Women in ETFs mentorship program.



**Salvatore D'Angelo**

Head of Portfolio Review Department, Americas

“ I am honored and privileged to participate in the Women in ETFs mentorship program, helping to support the career pathway and development of talented leaders in the Canadian ETF industry.”



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**Our enterprise DEI strategy**

## **Advancement**

We seek to ensure that our crew have equitable access to enriching opportunities to grow and thrive at Vanguard.

At Vanguard, crew are encouraged and supported to continually grow and explore opportunities to do more of what they love. Our DEI team partners with our global Talent Strategy & Development (TS&D) organization to integrate DEI into our leadership expectations and talent development experience for all of our crew.



## Advancement highlights

### Designing integrated solutions

TS&D is committed to fully integrating DEI principles into our talent processes. We are evolving the design of our leadership development offer to further support inclusion and equity as core leadership responsibilities. We are equipping our senior leaders with insights, guiding principles, and immersive training experiences to create equity in talent identification and development.

### Deepening our understanding of equity

A key driver in our talent development and advancement efforts is our ability to see our behaviors and talent processes through the lens of equity. Our "Equity: Building Common Language and Understanding" immersive learning experience equips leaders to sharpen their focus on promoting equity in their talent identification, development, and engagement processes. The course helps leaders understand the fundamentals of equity and explores ways in which we each play a part in advancing equity in the workplace for all employees. We have started to see the impact of the experience, as leaders have reported having better understanding of equity and feeling better prepared to discuss and improve equity in a workplace setting.

### Amplifying growth through sponsorship

It is well documented that women and people of color are less likely to receive the senior leader advocacy needed to advance. Vanguard facilitates a Sponsorship Program to expand the crew community our senior leaders advocate for and help with access to critical development opportunities. This program is hosted alongside a robust set of development enrichment experiences available to all crew.

Our program gives sponsors tools and practical steps they can take to build awareness of cultural dynamics, build trust, and provide advocacy support. One of our sponsors commented, "I felt as if I was giving back and helping the development of our talented leaders! I loved helping them think about their career, identify ways to advocate for them, and see their progression over two years. **Our sponsorship relationship was reciprocal, as I also learned from my sponsee**, who shared insights around key initiatives in their subdivision and enabled me to listen and hear a different perspective."

Since its launch, we are continuing to see the value of the program. Program participants continue to show higher levels of retention, engagement, and advancement than non-participants.



### Crew participant

Vanguard's DEI Sponsorship Program

“ This program has been one of the deepest and most rewarding engagements of my professional life since I started in the workforce almost 30 years ago. While in previous organizations, I was told of my value, but there was never any tangible action to support my growth. Vanguard's DEI sponsorship program demonstrated that this was a real investment and it mattered to the [senior leadership team].”





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**Our enterprise DEI strategy**

## **Retention**

Creating an inclusive workplace—one that motivates crew to make Vanguard their long-term career destination—is critical to our DEI strategy.



## Retention highlights

### Enabling inclusive partnerships between crew and leaders

Deepening relationships between crew and their leaders is a key driver of retention. A tool in this effort is our Managing Inclusive Partnerships experience, which 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. As crew and leaders deepen their relationships, they gain actionable insights and learn how to apply their experience in ways that can help identify professional development opportunities and support long-term career aspirations. The pairs develop tailored bespoke action plans supporting crew with career-pathing, elevating their level of strategic contribution and influence, or strategically expanding their network with impact.

To date, we have seen improvements in retention among the communities that participate, as crew and leaders cite high levels of experience satisfaction.

### Facilitating leadership development and dialogue

Our executive leadership team (CEO and managing directors) fosters its own DEI development by hosting DEI thought leaders and crew resource group leaders to lead regular dialogues that nurture DEI acumen and surface crew experience themes. Recent discussions have focused on the experience of Asian, Asian American, and Pacific Islander (A/AA/PI) professionals and Hispanic/Latinx professionals.

In our international regions, our Big Sibling and Reciprocal Mentoring programs connect underrepresented crew with senior leaders, allowing the former groups to grow their networks of allies and advocates and the latter group to increase their awareness of unseen barriers and reflect on how they can build a more inclusive workplace.



### Janear Sewell

Principal, Head of Human Resources, International

“ I had the opportunity to participate in a reciprocal mentoring program with a gay woman. What I learned about myself as the mentee is that it's not always easy to ask questions. The experience gave me more empathy for my white colleagues who have similar challenges in getting to know Black people. Now I can relate to the feeling of not wanting to make a mistake in discussing a sensitive topic. I realize that we all have to push through our anxiety in order to keep learning.”



### Vera Lim

Senior IT Reporting and Strategy Analyst

“ MIP forced me to take the time to look at my career in the present state and my aspirations. It helped me identify barriers to my success and equipped me with strategies to overcome them. The candid conversations with my leader resulted in stronger mutual understanding of what I need to do to develop my skillset, how he can support me in tackling any obstacles, and also provide clarity on what each of us needs to do in this partnership to develop my career.”



## Retention highlights: Essential enablers

### Investing in experiential learning

Our DEI learning curriculum continues to be an important part of enabling our strategy. We offer crew and leaders a range of experiential courses to build their acumen at various stages on their DEI journeys. Our curriculum offers foundational DEI training and more in-depth education, including practical coaching on overcoming barriers to inclusion, recognizing and addressing bias, and exploring ways to advance equity. As more crew engage with our DEI learning curriculum, we see stronger inclusion sentiment within our teams and across the enterprise.

### Enabling inclusive storytelling

Recognizing that everyone's DEI 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, videos, and podcasts.

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 International division across the globe.

### Embracing inclusive conversations

The DEI Team offers Brave and Inclusive Conversations, an in-house learning series designed to build competence and confidence for engaging in inclusive conversations. Through a progressive suite of team-building resources and dynamic live workshops, crew gain insight of each other's lived experiences. Since the launch, it has enabled teams to deepen trust; increase understanding of others; and enhance team rapport, empathy, and inclusion.



### Savio Borges

Administrative Associate, I am IN contributor, Canada

“ Support for the LGBTQ community encouraged me to speak about myself and come out to my colleagues. It helped me develop real and meaningful relationships with my colleagues, which in turn supported my success at work.”



### Rima Varsy

Head of Investment and Financial Systems, U.K.

“ My team completed the [Brave and Inclusive Conversations] exercise in which each member shared one or two experiences that shaped who they are today. I started the session by sharing something from my own experience to set the stage. The group made themselves incredibly vulnerable, and I was in awe at the nature of the conversations and how close people felt. It was emotional, and people are clamoring for more.”



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**Our enterprise DEI strategy**

## **Accountability**

Our representation and inclusion aspirations require accountability, and at Vanguard, leaders and crew across the organization are integral to our progress.

Our DEI team partners with business leaders across the enterprise to ensure each division and region has an action plan that includes DEI acumen-building, equitable approaches to talent processes, and targeted interventions that address local themes.



## Accountability highlights

### Prioritizing executive focus

Our DEI efforts and our broader talent strategy are key priorities for Vanguard's board of directors.

Vanguard's CEO and managing directors serve as our DEI Executive Council. In this capacity, the team governs the enterprise strategy and is accountable to the board of directors for tracking progress.

Vanguard's global head of DEI & Community Stewardship leads a multifunctional team of strategists, consultants, and specialists that evolves and executes the firm's enterprise strategic plan.

### Leveraging regional and divisional governance and local action planning

Divisional DEI councils and regional DEI councils in the Americas, Australia, and Europe oversee and execute local DEI action plans to support departmental needs, address regional nuances, and drive enterprise goals. These councils are chaired and sponsored by Executive Leaders.

These teams are role models and change agents who serve as vocal and visible advocates for DEI efforts, driving local, targeted accountability for progress. These councils enable DEI activation through the middle of the organization, a critical place for progress and sustainability. They also serve as valuable feedback mechanisms as the DEI strategy evolves.

### Standardizing performance management

"Cultivate difference" is one of the competencies that make up our five-part performance standard. This is a critical part of the accountability we seek to drive and makes clear our expectations of leaders and crew to build diverse teams and foster an inclusive culture.



### Sid Ratna

Head of Financial Advisor Services Marketing

Diversity Leadership Sponsor for Strategy, Product, Marketing, & Communications division

“Accountability for DEI starts at the top, and role-modeling and open communication are central to driving accountability in our division. Leaders set the standard for inclusive behavior by showing empathy, being open to feedback, and ensuring that people feel heard and valued. In addition, we are committed to regularly sharing updates with crew and creating supportive spaces for them to engage one-on-one with senior-level leaders via double skip-level meetings.”

**Inclusion of all**



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## Measuring inclusion sentiment

### Hearing from crew about inclusion: How evolving our listening infrastructure addressed two challenges

When asked why Vanguard evolved its methodology for measuring inclusion, our Head of HR Analytics, Andrea Needham, replied, “We realized we needed a clearer understanding of crew’s sentiment on inclusion, and we decided to increase the volume and listen more intently.”

Vanguard historically measured progress toward greater inclusion through an annual crew engagement survey. Although the annual survey was a useful tool in understanding crew’s personal involvement and commitment to their work, it didn’t account for the nuances of measuring and addressing inclusion sentiment.

“The challenges were twofold. First, we didn’t have insights into the drivers of inclusion sentiment. Second, we didn’t have actionable insights to share with our leaders who have the greatest influence on crew’s sense of inclusion,” said Needham.

In 2023, we’ve evolved our approach with the launch of a more dynamic, proprietary global crew listening infrastructure that enables us to take a more comprehensive assessment of crew sentiment on inclusion.

In evolving our methodology, we’ve shifted away from analyzing inclusion at the enterprise level and started examining inclusion sentiment at the team level. Using a more robust questionnaire and greater analytical rigor, we survey all crew and invite them to share their thoughts on a variety of things that impact their work experience—particularly their sense of belonging, their ability to be authentic, their ability to leverage all their talents, and their comfort level with safely sharing their opinions and needs with leaders.

The new listening infrastructure also provides more detailed insights. We are able to gather data about inclusion along key intersections of personal and professional identities. This helps enrich our view of the myriad of variables that impact crew inclusion sentiment.

The results help us equip leaders with actionable insights that form the basis for local planning. Leaders gain a better understanding of crew’s sense of belonging, and they receive guidance on the actions they can take to create a more inclusive environment for their crew to grow and thrive. These actions include being more transparent about work-related decisions and empowering crew to participate in ways that let them know that they are valued. “We have more work to do to understand additional dimensions of our crew’s inclusion sentiment. But we are excited about the trends we’ll see over time,” said Needham.



**Andrea Needham**

Senior Manager, Data Analytics & Management

“ We’re taking a differentiated approach to measuring inclusion sentiment. The value in that can’t be underestimated. It’s another example of how Vanguard is different by design.”



## Inclusion highlights

### Investing in research and dialogue

Understanding the experiences of professionals from underrepresented communities is critical to building an inclusive workplace. To that end, Vanguard sponsors in-depth research that bolsters understanding. In 2023, Vanguard sponsored Coqual's 2023 research into the complexities of the experiences of A/AA/PI employees. *Strangers at Home* challenges the narrative that there is a monolithic Asian experience and stresses the importance of disaggregating the experiences of the Pacific Islander community. The study also raises awareness of the barriers to professional advancement for members of the A/AA/PI communities and uncovers the ways in which A/AA/PI employees experience microaggressions in the workplace.

In addition, Vanguard is partnering with Coqual to promote its recent research *More Than a Monolith: The Advancement of Latino/a Talent*, which examines the experiences of Hispanic and Latinx professionals in the workplace. At an event hosted by HOLA, Coqual's lead researchers shared findings and discussed how Vanguard can take action on them.

### Sharpening our focus globally

As part of our enduring commitment to cultivating an inclusive and equitable work environment, we launched a voluntary self-identification campaign to invite our crew in Australia, Canada, and the U.K. to self-disclose their race and ethnic identity. We're heartened by our crew's willingness to share this information and look forward to continuing to provide our crew

with a better understanding of the important role data plays in advancing our DEI efforts. At year-end 2023, 63% of crew in Australia, 64% of crew in Canada, and 82% of crew in the U.K. have self disclosed their race and ethnicity.

### Fostering inclusion through access

Our Accessibility Office, established with a vision to "Create a world without barriers," plays a crucial role in fostering Vanguard's inclusive environment. Through enterprise-wide partnership, the team ensures that Vanguard information and functionality are accessible to everyone, including clients and crew with disabilities. By promoting best practices, continuously improving accessibility standards, and pursuing innovation, Vanguard can realize our commitment to take a stand for all investors.

### A path to reconciliation

In Australia, we have a dedicated team focused on fostering a deeper understanding and appreciation of Aboriginal and Torres Strait Islander cultures. Through a variety of educational initiatives, we aim to equip crew with the knowledge and resources needed to actively support and promote reconciliation with First Nations peoples. Our approach includes developing tailored learning pathways, hosting knowledgeable guest speakers, and organizing experiential learning activities, such as cultural walks. These opportunities not only educate our crew about the rich histories of the lands on which they live but also reinforce our commitment to cultural engagement and reconciliation.



**Kevin Cupp**

IT Senior Manager

“ Given my disability, finding my strengths may have taken a little longer than most. It wasn't until I started to experiment with technology that I found something I was passionate about. Joining Vanguard was great because I really connected with the mission. In terms of my disability, I didn't know what to expect at work. I wondered if I would be treated differently. My experience has been overwhelmingly welcoming in that I've always felt like part of the team.”



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## Fostering belonging through global crew groups

One of the ways Vanguard invests in an inclusive culture is through our global crew groups.

For nearly 15 years, crew groups have played a vital role in how we work—collaboratively and with care—and how we grow—through continuous learning and personal development. As we continue to invest in crew groups, we are taking steps to improve their efficacy and efficiency by standardizing procedures and creating a more rigorous planning processes. As a result, manual tasks have been reduced by 35%, and satisfaction rates among U.S. crew are at 90%.

Crew groups work alongside our HR organization to provide leadership development and acumen-building, serve as ambassadors to prospective talent, host cultural and heritage learning opportunities, facilitate discussions on current events, and provide community service opportunities to members.

Crew groups are open to all crew and provide supportive spaces for crew to form meaningful connections. Nearly half of Vanguard crew have joined at least one group. In many cases, the community of supportive allies within each group is larger than the target demographic. In addition, less formal grassroots crew communities leverage crew groups' strategies and tactics to advance our DEI goals, which reflects the spirit of learning and inclusiveness among Vanguard crew globally.



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## Global crew groups



Black Organization for Leadership and Dialogue (BOLD) is committed to cultivating Black engagement at Vanguard by encouraging Black crew to harness their unique strengths, by making space for them to share their perspectives and raise their voices, and by ensuring they have opportunities and support to succeed in their careers and beyond.



OPEN strives to create an environment where Vanguard's LGBTQIA+ crew are empowered to be themselves and thrive professionally. OPEN cultivates a safe and supportive community, provides space for professional development and education, fosters active allyship, and advocates to enhance the experience of LGBTQIA+ crew.



Accessibility, Belonging, Leadership, Empowerment (ABLE) is determined to advance Vanguard as a welcoming and accessible place for every BODY and every MIND. ABLE aims to create a supportive and inclusive space for crew members with disabilities, as well as those who are caretakers and allies. Through community building and conversation, ABLE is committed to advocating for company-wide equity.



Hispanic/Latinx Organization for Leadership and Advocacy (HOLA) works to elevate the experience of Vanguard's Hispanic/Latinx crew, celebrate their cultures and their contributions, and build community. HOLA inspires, engages, and activates Hispanic/Latinx crew and allies, providing support, professional development, and crew advocacy.



VetsConnect drives Vanguard's mission by building a community of veterans, families, and friends. This group helps recruit veterans to Vanguard, strengthens camaraderie through events and celebrations, organizes volunteer opportunities, and supports veteran crew with professional development and mentorship programs.

## BAME Europe

Black, Asian, and Minority Ethnic Network (BAME Europe) seeks to enhance the experience of BAME crew and potential job applicants through advocacy, allyship, education, and engagement.



Lifting and Empowering Asian Professionals (LEAP) is committed to enhancing the experience of Asian crew at Vanguard and cultivating their advancement through education, community, advocacy, and professional development.



WILS aims to create a supportive, inclusive community and aspirations. WILS, our longest-standing CRG, equips, engages, and empowers members through events, unique development resources, and rich conversations.

**Inclusion of all**



**Loubna Moudanib**

Manager, Taxable Analyst, WILS Europe member

“ I believe representation and role modeling are vital to the future women in leadership roles. We need to continue to focus on bringing women across all diversity dimensions into leadership roles so that women can be inspired and see themselves in leadership roles.”



**Ricardo Delfin**

Global Head of Regulatory and Public Policy, HOLA Advisor

“ When you take the time to attend events, when you take the time to listen to colleagues, then you get something out of that investment. My place in the broader community has changed and grown so much because of what I've learned here with HOLA. That's pretty special. I've definitely grown as a person having been part of this community.”



**Jayesh Gopalji**

Principal, Global Head Investment Shared Services, LEAP Co-Lead

“ Breaking down myths became a catalyst for me to co-lead LEAP. I pondered how I could advance the Asian community at Vanguard, focusing on creating a sense of belonging and addressing issues tied to the model minority myth. Sponsoring LEAP allows me to be a strong advocate for the community and foster engagement across the organization.”

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## 2023 crew group impact at a glance



nearly

# 50%

of crew have joined at least one crew group (10K)



nearly a

# 10%

increase in membership from 2022



# 200+

serve as sponsors and leaders of crew groups and related activities



# 150+

community impact events in 2023



# Addressing equity beyond our walls



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## External engagement

### Vanguard's approach doesn't stop at our front door

Working for the greater good is ingrained in our culture, and we're passionate about driving meaningful progress toward equity.

We promote equity in child care and early education through our philanthropic and volunteerism efforts, we activate it in our supply chain, and we're nurturing it in our client experiences.



**Community**



**Supplier diversity**



**Client experiences**

---

**External engagement**

**Community**

As part of our commitment to integrating DEI into the ways we engage the world around us, we've taken steps to strengthen the communities in which we live and work. Vanguard Community 365 embodies our culture of care and inspires crew engagement all year round by integrating our outcome-driven philanthropic strategy with high-impact volunteerism.



## Vanguard Community 365

Vanguard Community 365 encompasses a range of programs, including those aimed at:



**Increasing equitable access** to early childhood education.



**Making financial literacy** available for K–12 classrooms.



**Enhancing global impact** through crew-led volunteerism.



**Promoting financial well-being** through an emerging focus.

### Early childhood education

Children growing up in poverty are at a major disadvantage, and children of color are disproportionately impacted by poverty. Vanguard Strong Start for Kids™ is an enterprise charitable initiative supported by generous crew contributions along with our corporate match and additional corporate dollars. The program, which has raised **\$83 million** since its inception in 2016, has made grants that seek to address disparities in underserved communities so that all young children benefit from equitable access to a robust ecosystem of support.

The program reaches children across the globe. For example in Europe, crew donations helped launch an early intervention pilot for children with delayed speech and language skills. Eleven early learning centers in some of London's poorest boroughs participated in the pilot, with 95% of parents saying they feel more confident in their abilities to help their children communicate.





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# Vanguard Community 365

## Financial literacy

Vanguard's My Classroom Economy® is an interactive program powered by volunteers that enables K–12 educators to teach children financial literacy through fun, experiential learning. This free program has reached **1.2 million students**, and 86% of educators have found the program to be effective in improving student financial responsibility. As My Classroom Economy seeks to increase access to financial literacy, the program launched a fully digital experience in 2023. The [new digital experience](#) enables teachers to customize the “economy” within their classroom to reflect the communities in which they live.

## Crew-led volunteerism

Our company also offers a range of opportunities for our crew across the globe to engage in local communities, including a generous employee matching gift program, nonprofit board leadership, training, and skills-based volunteerism opportunities. In 2023, 14,000 crew collectively logged over 85,000 volunteer hours and donated more than \$13 million to the causes they care most about in the communities where we live and work.

Over the past year, we've supported our crew groups by identifying strategic partnerships with local nonprofit organizations that enable our crew groups to deepen Vanguard's community impact. For example, during Hispanic Heritage Month, our HOLA crew group partnered with Hispanic-focused nonprofit organizations across our U.S. sites for events that generated over 600 volunteer hours for our communities.

## Financial well-being

We believe supporting financial well-being aligns with our mission to take a stand for all investors. Through an emerging philanthropic initiative, we are concentrating on grantmaking and partnerships that support community-based organizations that improve the economic outlook for historically underserved individuals and communities. This effort will also work to strengthen the nonprofit financial ecosystem in key Vanguard markets.

Details about all our Community Stewardship programs and impact are available in the [2024 Community Stewardship Impact Report](#).

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**External engagement**

## **Supplier diversity**

We're on a multiyear journey to partner with an inclusive community of suppliers by expanding our efforts to identify underrepresented suppliers and encouraging all our supplier partners to do the same.



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## We strive to ensure that an inclusive community of suppliers have an equal opportunity

### Improving outcomes through an inclusive supply chain

Inclusion encourages innovation and improves the resiliency of our supplier network. We've recently enhanced our processes to ensure that an inclusive community of suppliers is considered in new business opportunities and to improve how we track existing relationships with suppliers owned and operated by people of color, people with disabilities, members of the LGBTQIA+ community, women, and veterans. Also, our program extends beyond the impact of our direct suppliers by encouraging our suppliers to consider the use of a diverse community of suppliers within their supply chains.

The number of underrepresented suppliers we are tracking within our supplier base has more than doubled. In 2023, these suppliers earned **28%** more of our business than in 2022.

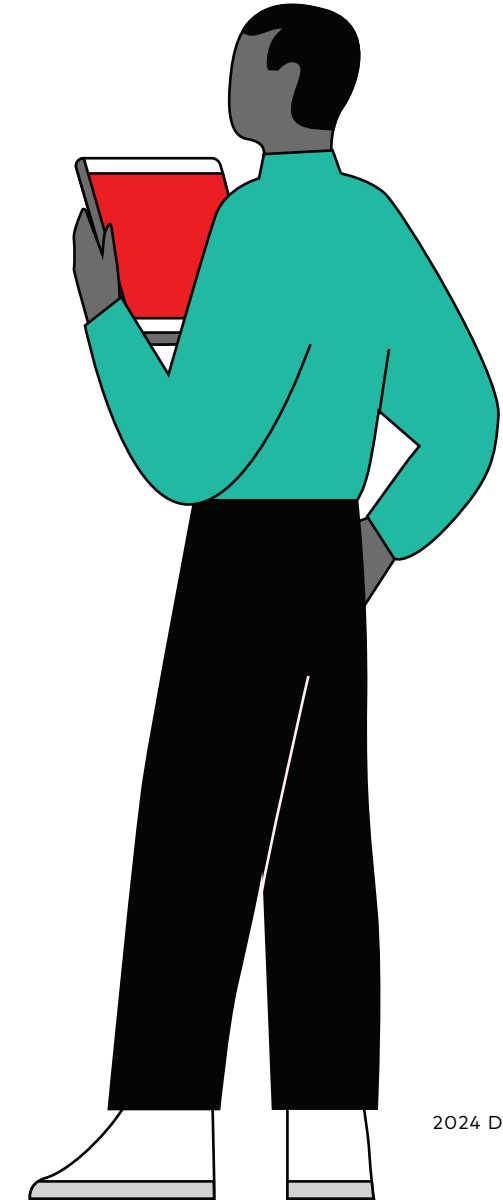
Looking ahead, we're investing in tools that will enable us to systematically measure and report on our program impact and increase our momentum over the long term.

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**External engagement**

## **Client experiences**

When investors consider trusting Vanguard to manage their assets, we want them to feel represented, valued, supported, and served. With that in mind, we're working to ensure that our products, services, education, and communications reflect the diverse population of investors that trust us with their assets.



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## Serving an increasingly diverse client base

For a variety of reasons, the journey to retirement success is difficult for many workers, especially those from underrepresented groups. To help offset these factors, our Institutional Investor Group has invested in products, services, and experiences that help a diverse range of U.S. workers reach their retirement goals.

We have built an equity-centered financial wellness program, which offers education, guidance, and tools that can address disparities that disproportionately affect women and people of color.

The program offers a suite of services, including student loan management tools, emergency savings guidance, financial education services, and guidance on health savings options. IIG has also invested in its call center to meet the needs of the diverse population of retirement plan participants we serve. Our call center and support teams have been enhancing training to address language and cultural differences, avoid

bias, and recognize each person and their circumstances with respect. The team is also enhancing its communications to make them more relevant and accessible to diverse audiences.

Research has been conducted to help us and our retirement plan sponsor partners understand the diverse outcomes and needs of the varied audiences we serve.

In addition to these efforts, our Global Marketing group recently began a multiyear effort to better understand and engage with underrepresented audiences within our other client-facing divisions.

**Our external DEI commitment: Profile**

## Promoting greater equity in retirement plan design

Two studies from Vanguard Institutional Investor Group and Vanguard Investment Strategy Group offer insights for plan sponsors and policymakers that can lead to more equitable outcomes for retirement plan participants.

### Employers can optimize 401(k) matching contributions to balance equity, efficiency, and cost

With two-thirds of plans having regressive characteristics that disproportionately benefit higher-income employees, employer match formulas are a ripe target for innovation. That's according to [Vanguard research](#) analyzing 1,352 distinct employer-sponsored plans record-kept by Vanguard over 10 years between 2013 and 2022. Recognizing that plan sponsors have different objectives and constraints, we offer the criteria to help sponsors make the trade-offs in plan design explicit and help them meet their goals.

Match formulas were evaluated along three dimensions: equity, efficiency, and cost. No single formula is a clear winner in terms of efficiency, in that employee saving rates vary little across plans with different levels of employer match. However, dollar caps are more equitable and contain costs.

Employers could apply cost savings to prioritize plan features that promote savings for lower-income workers, such as autoenrollment, a higher default savings rate, or immediate eligibility and vesting. Dollar caps are a promising and currently underused tool that could free up employer resources to pay for such features.

Just as employers have a role to play in promoting equity and efficiency, so do policymakers. Adopting standards that incorporate equity considerations could help nudge employer plans toward more equitable match designs.

### Plan design can help close the retirement savings gap

In a [recent study](#), Vanguard analyzed the saving behaviors of 115,000 Black, Hispanic, Asian, and white participants across 14 different plans from nine different clients to offer solutions that can help close the racial gap in retirement preparedness.

The research looked at such factors as participation, deferrals, asset allocation, and withdrawals and compared the results across different races. Overall, Asian and white participants tended to be better prepared for retirement than Black and Hispanic participants. However, the presence of an automatic enrollment feature greatly reduced racial disparities in retirement preparation.

In plans with autoenrollment, the participation rate for Black and Hispanic employees is 90%. Conversely, participation rates for Black and Hispanic workers drop to 52% and 57%, respectively, in plans with voluntary enrollment.

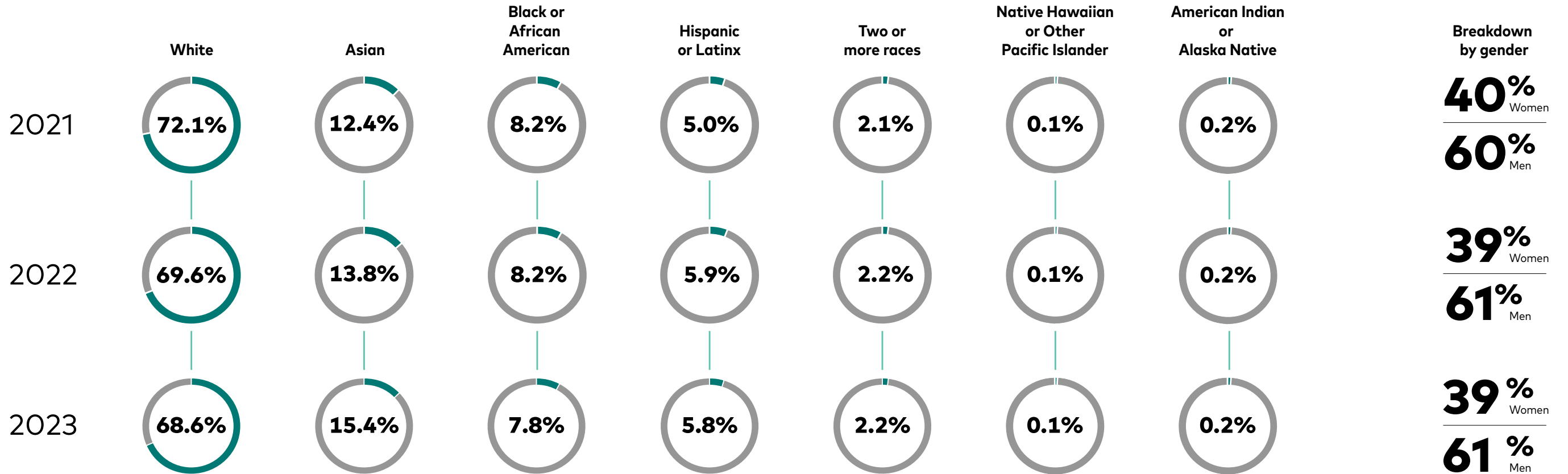
A solid plan design with automatic solutions such as autoenrollment can help put underrepresented workers on the path to a solid financial future. It can also help companies attract and retain diverse talent while addressing systemic inequities.

# Our workforce representation data



# The Vanguard workforce (overall)

Race/Ethnicity (U.S.) and gender (global)

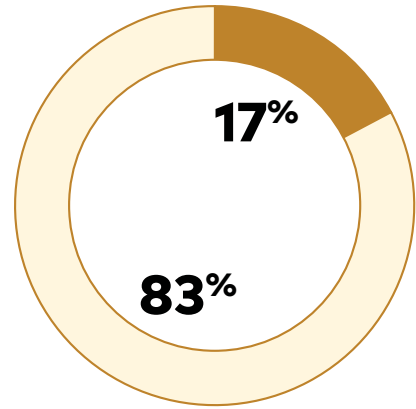




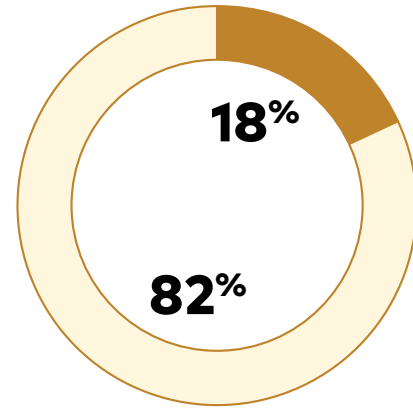
# Our board of directors

Race/Ethnicity (U.S.) and gender (global)

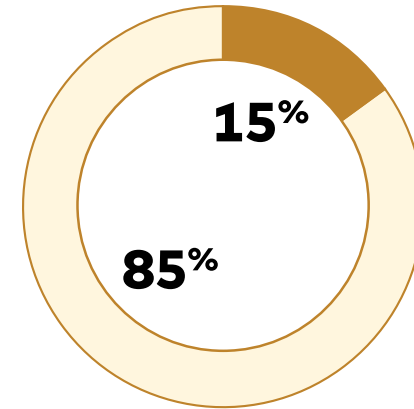
2021



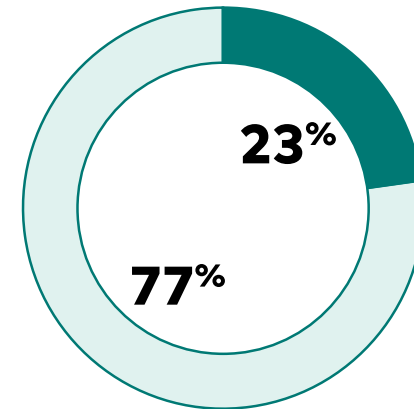
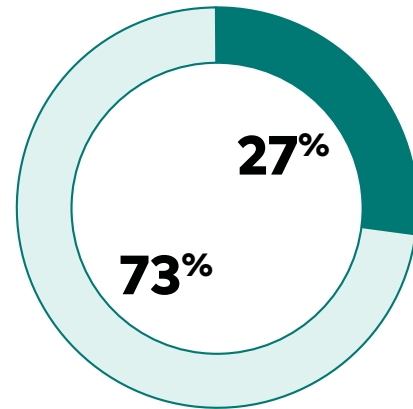
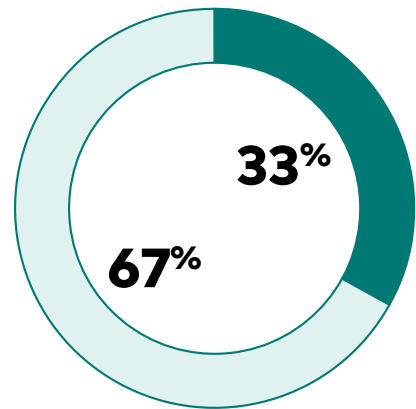
2022



2023



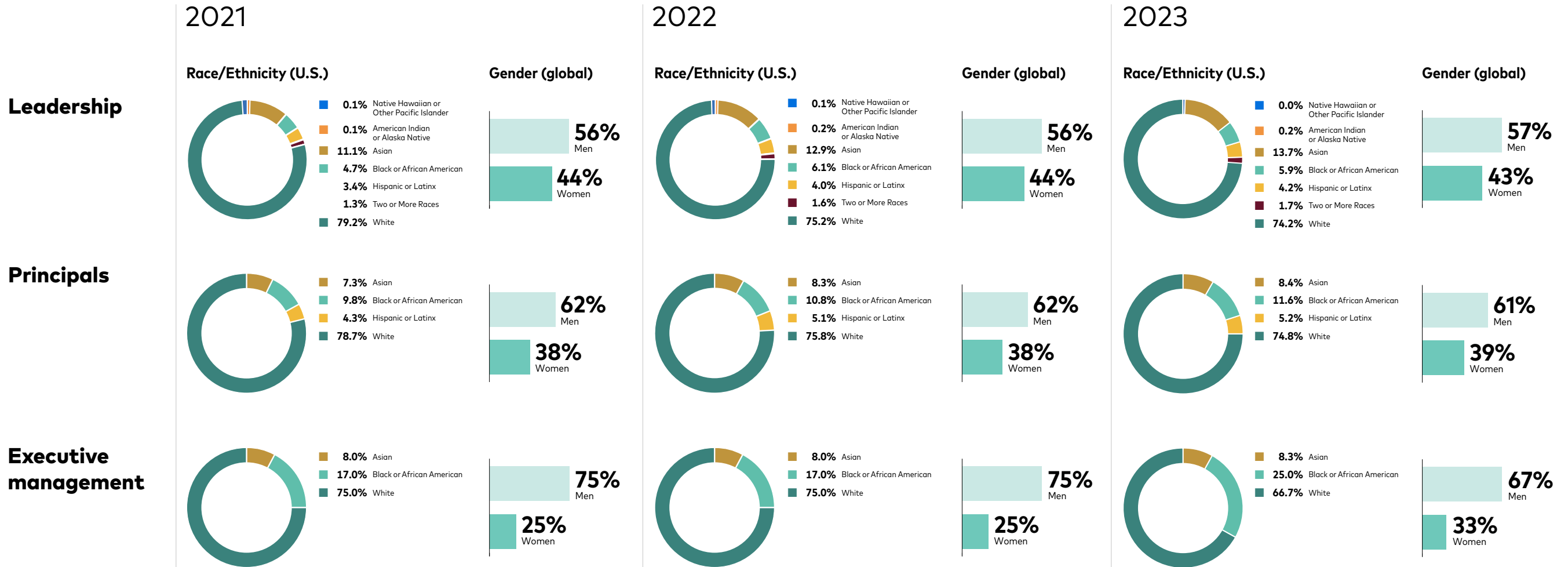
■ People of color  
■ White



■ Women  
■ Men

# An overview of key leadership groups

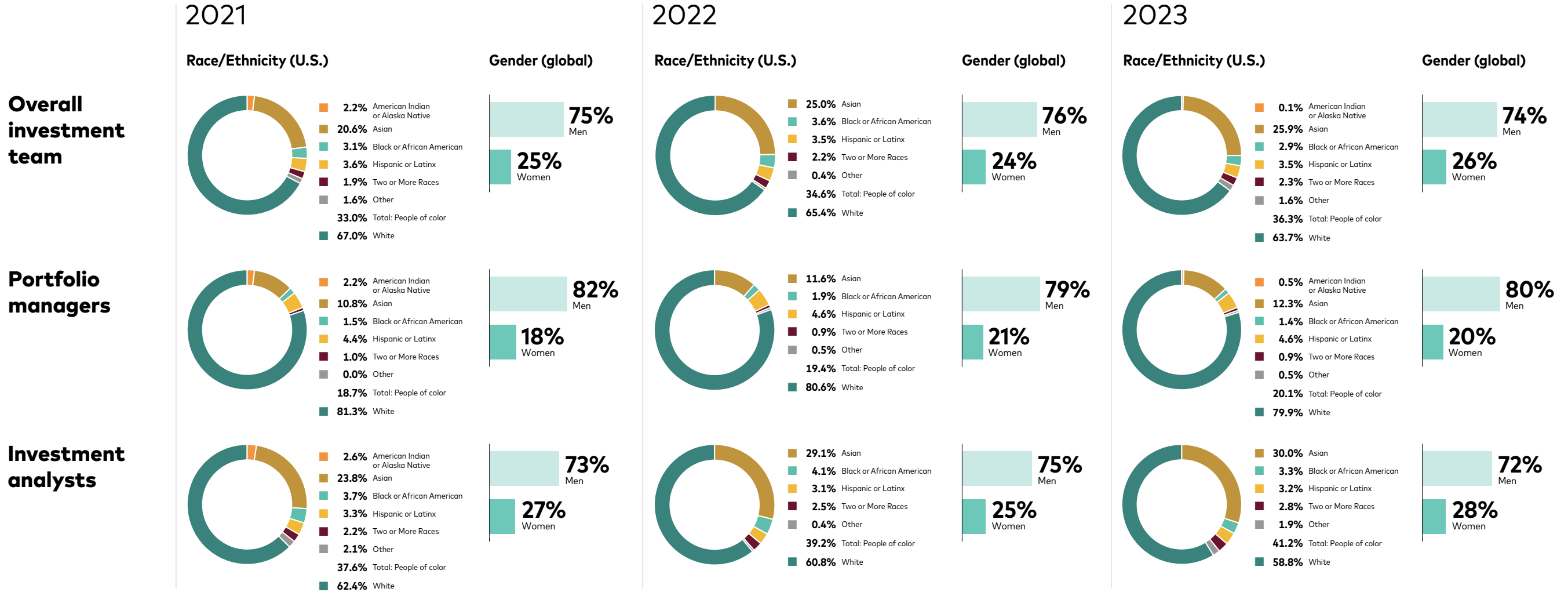
Race/Ethnicity (U.S.) and gender (global)



Due to the impact of rounding, sums may not total 100%.

# Vanguard investment management teams

## Race/Ethnicity and Gender among Investment Analysts and Portfolio Managers



Data represents aggregated internal investment management teams and 20 of 25 aggregated external subadvisory investment management teams, which includes portfolio managers and investment analysts. Due to the impact of rounding, the sums are slightly higher than 100%.

**Signals of  
positive  
progress**



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## Our efforts have been recognized

At Vanguard, our standards of success are based on helping investors achieve financial security, being an employer of choice, and being a force for positive change in the communities in which we operate.



### Seramount

2024 100 Best Companies



### Seramount

2024 100 Best Companies for Multicultural Women



### Seramount

2024 Leading Inclusion Index Company



### Seramount

2024 100 Best Companies for Executive Women



### Disability Equality Index

2024 Best Place to Work for Disability Inclusion



### U.S. Veterans Magazine

2023 Best of the Best



### Human Rights Campaign

2023 Equality 100 Award: Leader in LGBTQ+ Workplace Inclusion



### Australian Government's Workplace Gender Equality Agency

2023–2025 Employer of Choice for Gender Equality

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## Recognizing influential leadership

Vanguard leaders Sara Devereux, Janel Jackson, and Karin Risi were named to Barron's 100 Most Influential Women in U.S. Finance 2024 list, which recognizes women who are shaping the modern financial services industry.

Jing Wang, principal and head of Vanguard's Center for Analytics and Insights, was selected as a 2024 Ascend A-list Award recipient for championing an inclusive culture at Vanguard and leading efforts in the development and advancement of Asian professionals.



**Sara Devereux**

Principal, Global Head of Fixed Income Group



**Karin Risi**

Managing Director, Strategy, Product, Marketing & Communications



**Janel Jackson**

Principal, Head of Bank and Institutional



**Jing Wang**

Principal and Head of Vanguard's Center for Analytics and Insights



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## The journey continues

We are proud of our collective impact, which would not be possible without the engagement of our world-class crew and the standard set by our executive leadership team.

We'll continue to challenge ourselves to further integrate DEI into our talent systems and processes, to continue driving accountability for an inclusive culture, to pursue opportunities to better engage investors and suppliers from diverse communities, and to drive change in our local communities.

**Vanguard**<sup>®</sup>

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