

## Modern Slavery Statement

Vanguard Asset Services Limited  
Vanguard Asset Management Limited

This statement is made on behalf of Vanguard Asset Services, Limited and its relevant Vanguard UK group subsidiaries (Vanguard Asset Management, Limited and Vanguard Investments UK, Limited) pursuant to Section 54 of the Modern Slavery Act 2015 in respect of the year ended 31 December 2023.

Vanguard is a global asset manager in the finance sector, employing over 20,000 members of staff ("**Crew**"). We aim to offer investors the highest value investment products and services available and have an unwavering focus on investor value and costs. The Vanguard Group, Inc. (Vanguard Asset Services, Limited and its UK group subsidiaries' ultimate parent entity) is owned by Vanguard's US domiciled mutual funds, which in turn are owned by the investors in those funds. This unique structure aligns our interests with those of our investors – benefiting investors worldwide – and drives our organisation's culture, philosophy and policies. We have a stated intention of being a price leader and are committed to cutting the cost of investing. In fact, Vanguard's core purpose is *'To take a stand for all investors, to treat them fairly, and to give them the best chance for investment success'*.

### **Our approach**

We do not tolerate modern slavery or human trafficking within our business operations and take a risk-based approach in respect of our supply chains. We consider that, as our business is regulated and does not have complex supply chains, the risk of modern slavery and human trafficking occurring within our supply chains / business is low.



Nonetheless, we consistently seek to earn and maintain the trust and loyalty of our investors by adhering to the highest standards of ethical behaviour and responsibility. Accordingly, we must conduct ourselves in accordance with applicable law and regulations, and the standards of conduct as set out in Vanguard's Code of Ethical Conduct. The Code of Ethical Conduct has been approved and adopted by the Boards of each of Vanguard's affiliates, as applicable.

## **Stewardship**

In addition, Vanguard works to understand how boards of directors of portfolio companies oversee, identify and govern material risks, including, but not limited to, material human-rights-related risks. Thus, where human rights matters are not addressed by applicable sanctions laws and regulations that restrict specific investment, Vanguard's investment stewardship activities employ procedures to identify and monitor material human rights risks at portfolio companies and to understand how portfolio company boards oversee any such risks by analysing third-party data. These procedures include the use of publicly available data and third-party research and serve to help monitor portfolio companies for potential human-rights-related risks. As part of our ongoing review, we may seek to engage with company leaders, including company directors, to understand a board's oversight of alleged human-rights-related risks, and if and how the company has mitigated any identified risks. More generally, Vanguard's investment stewardship team reviews how portfolio companies evolve their governance practices and public disclosures over time. In instances where we do not see progress in how a company addresses a given governance concern, we have the ability to escalate a matter in a manner appropriate for each situation, such as by directly engaging with company leaders, by voting in support of a relevant shareholder resolution, or by not supporting the elections of board members at a company's shareholder meeting. Such escalation steps are made based on a determination of what is in the best interest of each Vanguard-advised fund that is invested in the company in question.

Vanguard is also a signatory to the UK Stewardship Code 2020, which comprises a set of principles and guidance for asset managers to promote transparency and integrity in business as part of stewardship activities: Vanguard's report



can be found [here](#). Further information on Vanguard's investment stewardship programme, detailing the approach to engagement and case studies, can be found [here](#).

## **Supply Chains**

Despite the low risk of modern slavery or human trafficking taking place within our supply chains, Vanguard is committed to developing initiatives to prevent this. We follow an established procurement policy and vendor oversight programme which defines the processes for procuring goods and services from external vendors. These processes apply to all Crew and are designed to ensure that procurement is carried out in a manner that:

- mitigates legal, business, and financial risks associated with vendor contracts;
- ensures the highest standards of ethical and business conduct between crew members and vendors; and
- instils shareholder, vendor, and public confidence in Vanguard and its subsidiaries.

In contracts with suppliers providing contractors and other personnel to us, Vanguard requires that they comply with all applicable laws relating to or affecting the work to be performed by that supplier, including all rules and regulations related to equal employment opportunity and immigration, and that the supplier will obtain and maintain all permits, visas, licenses, and consents required in connection therewith.

The review of procurement processes is continual to ensure that Vanguard's due diligence of material suppliers remains fit for purpose and that contractual provisions cover all applicable anti-slavery and human trafficking laws.

Vanguard will assess over the coming year its supplier governance in the context of how modern slavery considerations are integrated into this. Any relevant actions to enhance this will be implemented accordingly.



## **Recruitment**

Vanguard is an equal opportunities employer that seeks to ensure that recruitment is handled with fairness and integrity. We carry out background checks and pre-employment screening during our recruitment process. Additionally, to ensure that our resources are not used for the furtherance of slavery, we maintain a robust recruitment and onboarding process which includes checks built in to ensure all individuals employed by us have the right to work in the UK, are paid a fair salary in compliance with all relevant rules and regulations, and are not subjected to human trafficking or forced labour.

## **Training**

As noted above, Vanguard's Code of Ethical Conduct describes the principles and standards that Crew hold themselves to, including the need to comply with the law and to speak up in relation to business practices and ethical issues. Crew receive mandatory training on the Vanguard Code of Ethical Conduct and are required to confirm their compliance with it on an annual basis.

Over the course of 2024, Vanguard will assess its specific training requirements relating to modern slavery, with any actions implemented. This assessment will consider how Crew can most effectively understand, and engage with, the framework around modern slavery and human trafficking, including the identification of risks.

## **Compliance and Monitoring**

Vanguard takes compliance with its policies seriously and, in the event of a breach, requires its suppliers to act quickly to take corrective actions, as appropriate. In the case of material, multiple or continuous breaches of its policies, Vanguard may choose to discontinue its relationship with a supplier.

Vanguard also requires that Crew comply with its policies and implement them as required. Any Crew member that breaches such policies may be subject to disciplinary action.

In addition, Vanguard operates a confidential Whistleblowing hotline, underpinned by a Whistleblowing framework and policy, whereby Crew can raise



any concerns regarding unethical behaviour or potential wrongdoing in confidence and without fear of action being taken against them.

Vanguard has signed up to the Home Office Contact Database for modern slavery to receive regular reporting, alerts, guidance and resources and has also uploaded its previous Statement to the UK Government's modern slavery registry, a central depository for statements. This Statement will also be published on the UK Government's modern slavery registry and the UK's Transparency in the Supply (TISC) reporting tool (TISCreport.org).

A handwritten signature in black ink, which appears to read "Sean Hagerty", is written over a dotted line.

**Sean Hagerty, Director**

Date: 8 May 2024

For and on behalf of Vanguard Asset Services, Limited and its relevant Vanguard UK group subsidiaries (Vanguard Asset Management, Limited and Vanguard Investments UK, Limited)

***This statement was approved by the Board of Vanguard Asset Services, Limited and the Board of Vanguard Asset Management, Limited on 22 April 2024.***