

VANGUARD ANNOUNCES CHANGES TO GLOBAL LEADERSHIP

Tim Buckley to succeed Bill McNabb as Vanguard CEO; Greg Davis Named Chief Investment Officer

14 July 2017: The Board of Directors of The Vanguard Group today elected Vanguard's Chief Investment Officer Tim Buckley as president and director of Vanguard, and announced plans for him to succeed Bill McNabb as chief executive officer on January 1, 2018.

Under the planned succession, Mr. Buckley, 48, will become the firm's fourth CEO since its founding in 1975. Mr. McNabb, 60, who has served as Vanguard's CEO since 2008, will remain as chairman of the board. Greg Davis, 46, global head of Vanguard's Fixed Income Group, assumes the position of chief investment officer.

Commenting on his decision to step down as CEO, Mr. McNabb said: "As the firm continues to grow, evolve and expand globally, it is the right time for a new leader and the Board is unanimous in its belief that Tim Buckley is the ideal next chief executive for Vanguard. I have worked alongside Tim for many years and he brings a strong passion for serving Vanguard clients and crew, a global mindset, and significant leadership experience in all facets of our operations."

Mr. Buckley has been a member of Vanguard's senior leadership team since 2001 and has served as Vanguard's chief investment officer since 2013. He joined Vanguard in 1991 as assistant to then Chairman John C. Bogle. He was elected as a principal of the firm in 1998, and subsequently held senior leadership roles in two divisions, including as chief information officer and head of Vanguard's Information Technology Division from 2001 to 2006, and head of Vanguard's Retail Investor Group from 2006 to 2012.

Mr. Buckley is also a long-tenured member of Vanguard's Global Investment Committee, which has oversight responsibilities for Vanguard's in-house equity and fixed income management functions, as well as the 27 external investment advisory firms employed by Vanguard. Mr. Buckley earned an A.B. in economics from Harvard in 1991, and an M.B.A. from Harvard Business School in 1996.

"Vanguard's mutual structure and client-focused culture serve as the foundation for everything we do, and I am honoured to lead this great organisation into its next chapter," said Mr. Buckley. "Thanks to Bill's strong leadership over the past ten years, Vanguard is well-positioned to continue helping clients achieve investment success. I look forward to continuing to work closely with Bill over the next six months as I transition to my new role."

Mr. McNabb joined Vanguard in June 1986 and became a member of Vanguard's senior leadership team in 1995 as head of Vanguard's Institutional Investor Group. He was named CEO in 2008 and chairman in 2009.

Mark Loughridge, lead independent trustee of Vanguard's board, stated: "Bill has been an extraordinary leader, deftly navigating the firm through the most turbulent market environment in modern history into an era of unprecedented growth and global expansion, while developing a strong management team and a deep bench of talented investment professionals. Above all, he has demonstrated an unwavering dedication to our clients, which is the hallmark of Vanguard, and we are grateful that he will continue to serve as chairman of the board."

As chief investment officer, Mr. Davis, assumes oversight responsibility for more than \$3.8 trillion managed by Vanguard's Fixed Income, Equity Index, and Quantitative Equity Groups. The more than 300 mutual funds and ETFs managed globally by these groups encompass active and index stock, active and index fixed income, money market, and stable value mandates.

Mr. Davis has led Vanguard's Fixed Income Group since 2014, with responsibility for portfolio management, strategy, credit research, trading, and planning functions. He also previously served as the company's Asia Pacific chief investment officer and a director of Vanguard Investments Australia. He earned a B.S. in insurance from The Pennsylvania State University and an M.B.A. in finance from The Wharton School of the University of Pennsylvania. He is a CFA charterholder and a member of the CFA Society of Philadelphia.

"We are fortunate to have Greg at the helm of our global investment teams and as a new member of our senior leadership team," said Mr. McNabb. "His experience as a portfolio manager and as a leader of investment management teams, long-term orientation, and exceptional judgment make him an excellent steward of our clients' assets."

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About Vanguard

With more than AUD \$5.5 trillion in assets under management as of 31 March 2017, including more than AUD \$940 billion in ETFs, Vanguard is one of the world's largest global investment management companies.

In Australia, Vanguard has been serving financial advisers, retail clients and institutional investors for more than 20 years.

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