Vanguard Super Pty Ltd (VSPL)

Vanguard

CPS 511 Disclosures

Overview

These disclosures are provided by Vanguard Super Pty Ltd (VSPL, the "Trustee") (ABN 73 643 614 386) as the Registrable Superannuation Entity Licensee and Trustee of Vanguard Super (the Fund) (ABN 27 923 449 966) and the issuer of Vanguard Super products.

VSPL has contracted Vanguard Investments Australia Ltd (VIA) (ABN 72 072 881 086 / AFS Licence 227263) to provide some services to members of the Fund.

VSPL and VIA are both wholly owned subsidiaries of The Vanguard Group, Inc. ("VGI") (collectively, "Vanguard").

VSPL is a non-significant financial institution and is required to make disclosures as outlined in Prudential Standard CPS 511 Remuneration. These disclosures relate to the "Financial Year" of 1 January 2025 – 31 December 2025.

Oversight and Governance

The VSPL Board (the "Board") has established a Remuneration Committee which reviews the effectiveness of the remuneration framework, ensures remuneration strategies support the Trustee's strategic objectives and culture, and oversees remuneration arrangements of employees of VSPL. The Remuneration Committee may also provide input into the remuneration arrangements of employees of VIA or VGI in Specified Roles[1], that support the Fund. The Board is ultimately responsible for the remuneration framework for VSPL employees.

The Remuneration Committee is comprised of the Directors of the Board and met four times during the Financial Year. The Remuneration Committee has free and unfettered access to other Board Committees in carrying out its duties and responsibilities. The Remuneration Committee operates in accordance with its Charter, which is reviewed annually. The Remuneration Policy is reviewed annually or as required to respond to evolving regulatory, business and legislative conditions.

The Conduct Risk Sub-Council, which includes the Chief Risk Officer, Australia meets biannually to review remuneration outcomes for employees in Specified Roles. The Conduct Risk Sub-Council is appointed and delegated to investigate, advise and make recommendations on conduct-related issues by the Board for employees in Specified Roles. The Remuneration Committee receives reports from the Conduct Risk Sub-Council outlining any necessary downward adjustments to variable remuneration as they relate to conduct risk matters, and reviews reports that demonstrate the alignment between performance results and variable remuneration outcomes. Based on these reports, the Committee makes recommendations to the Board regarding variable remuneration. The Board has the discretion to make further downward adjustments, including to zero, for all employees in Specified Roles.

1 Specified Roles, as defined in para 20(v) of APRA Prudential Standard CPS 511

Remuneration Framework

The remuneration framework and its associated policies promote a culture of accountability and long-term thinking, supporting the Trustee's strategic objectives and risk management framework.

It aims to do this by:

- aligning with the business strategy through Objectives and Key Results being set against a balanced scorecard of financial and non-financial measures,
- supporting the prevention and mitigation of conduct risk, as the framework is linked to Vanguard's Code of Ethical Conduct and values, with the Conduct Risk Sub-Council reviewing misconduct issues including those related to adverse outcomes for members or beneficiaries,
- promoting sustainable performance and long-term soundness for employees who consider the long-term strategic objectives of the Fund and best financial interest of beneficiaries,
- ensuring that consideration of risk events, including those related to adverse outcomes for members or beneficiaries, or failure to demonstrate Vanguard's behavioural standards are included in determination of variable remuneration outcomes.

Employees in Specified Roles

The types of positions that have been determined to be Specified Roles, include:

Specific Role	Definition
Senior Managers	Employees who are identified as Key Management Personnel[2], who have authority and responsibility for planning, directing and controlling the activities of VSPL, who receive variable remuneration.
Material Risk Takers	Employees, including senior leaders of VIA, whose activities have a material potential impact on VSPL's risk profile, performance and long-term soundness, and can impact on performance of duties and exercising powers in the best financial interests of beneficiaries.
Risk and Financial Control Personnel	Roles that support VSPL in risk management, compliance, internal audit, financial or actuarial control which include key roles in the VSPL and VIA Legal, Risk, Compliance, Audit and Finance teams.

Remuneration for Employees in Specified Roles

All employees of Vanguard are eligible to participate in short term variable remuneration arrangements applicable to their position. The types of variable remuneration offered to employees align with the ability of their role to influence performance and risk outcomes, and the timeframe of their influence.

All variable remuneration is discretionary and subject to downward adjustment, malus or clawback for behaviours or actions that breach conduct and risk management policies or Vanguard's behavioural standards. The Board has the discretion to make downward adjustments, including to zero, for all employees in Specified Roles.

For those employees in Specified Roles, all variable remuneration is apportioned based on the proportion of their role which is attributable to servicing VSPL.

2 As defined under the Australian Accounting Standard AASB 124 Related Party Disclosures

The eligibility and criteria for each type of variable remuneration is outlined in the table below:

Type of Variable Remuneration Criteria	Short Term Variable Remuneration (Individual)	Short Term Variable Remuneration (Group)	Long Term Variable Remuneration
Eligibility	VSPL, VIA and VGI employees.	VIA and VGI employees.	VIA and VGI employees. Employees who are eligible to participate in this plan are not eligible to participate in the Short-Term Variable Remuneration (Group).
Performance year	1 November to 31 October[3].	1 January to 31 December.	1 January to 31 December.
Performance Metrics - Individual	Assessed against the achievement of individual objectives, key results and behavioural standards.	Assessed against the achievement of behavioural standards.	Assessed against the achievement of individual objectives, key results and behavioural standards.
Performance Metrics - Business	Measured and reviewed against a balanced scorecard of financial and non-financial measures.	The maximum value is tied to a three-year company performance period.	The maximum value of the grants is tied to a three-year company performance period.
Payment	Paid in cash in January.	Paid in cash in June.	Awarded in January and paid in cash in June, on a three-year payment schedule.
Rationale	To motivate employees by aligning annual performance with strategic objectives and remuneration outcomes.	To retain and motivate employees and to align performance with VGI's long term strategic objectives.	To retain and motivate employees who can make a significant contribution to VGI's long-term growth and success and to align performance to long term strategic objectives.
Deferral Period	N/A	N/A	Four years and eight months, which is inclusive of the 14-month period prior to the grant and the three year vesting period.

3 To support a change to align with the VGI financial year the 2026 performance year will be a transitional 14-month period from 1 November 2025 to 31 December 2026.

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