

How to interpret the Vanguard funds' proxy voting disclosure

August 2024

Proxy voting disclosure of the Vanguard funds

Vanguard discloses proxy votes cast on behalf of all of the Vanguard funds to keep fund investors, regulators, and other stakeholders well-informed, as well as to comply with applicable regulations. These disclosures demonstrate how each of the funds' proxy voting policies are applied to matters put forth for a shareholder vote at portfolio company shareholder meetings.

This information is provided on the [Vote Disclosure site](#) through Vanguard's corporate website. The Vote Disclosure site is updated quarterly (approximately 45 days after the end of each calendar quarter) with the voting decisions of each Vanguard fund during the prior period. This includes disclosure for all of the Vanguard-advised funds (i.e., funds managed by Vanguard, which are primarily index equity portfolios) as well as for externally managed funds (i.e., funds managed by unaffiliated third parties, which are primarily active equity portfolios).

The proxy voting decisions of Vanguard funds registered with the U.S. Securities Exchange Commission (SEC) are also disclosed on Form N-PX, which is filed annually with the SEC. The SEC made several changes to the filing requirements which take effect with the 2024 Form N-PX filings. The changes affect the disclosures made on behalf

of the Vanguard funds on Form N-PX. For the sake of consistency, we will include the additional data required for SEC-registered funds (e.g., shares voted, shares on loan, categorization of ballot items) in all Vanguard funds' disclosure on the Vote Disclosure site.

Who votes proxies on behalf of the Vanguard funds?

The Vanguard Investment Stewardship team votes proxies on behalf of each of the Vanguard-advised funds pursuant to policies adopted by the board overseeing each fund. Votes on behalf of the externally managed funds are cast by each of their respective third-party advisors, which are unaffiliated with Vanguard. This voting structure can lead to different voting decisions on behalf of various Vanguard funds.

In 2024, a limited number of Vanguard's SEC-registered funds participated in Vanguard's Investor Choice pilot offering their fund shareholders the ability to direct how their proportionate share of the fund voted on proposals at certain shareholder meetings by selecting from a menu of voting policy options.¹ In those cases where multiple policies applied to ballot items in the participating funds, there will be multiple vote results included on that fund's Form N-PX. The Vote Disclosure site will identify each of the policies and votes cast pursuant to each policy in the participating funds.

¹ During the 12 months ended June 30, 2024, the following Vanguard-advised funds participated in the Investor Choice pilot: Vanguard ESG U.S. Stock ETF, Vanguard Dividend Appreciation Index Fund, Vanguard Mega Cap Index Fund, Vanguard Russell 1000 Index Fund, and Vanguard S&P 500 Growth Index Fund.

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