

Significant votes

One of the most visible signs of Vanguard’s engaged ownership is our funds’ proxy voting at company shareholder meetings. Our Investment Stewardship team votes on behalf of Vanguard’s internally managed equity index fund holdings, in accordance with the board-approved voting policies. Our votes are an important opportunity for the funds to safeguard the best interests of long-term investors.

The tables on the following pages list select proxy votes by the funds for the 12 months ended December 31, 2020. Vanguard identified these proxy votes based on criteria that Vanguard uses to describe a vote as a “significant vote” for the purposes of the Shareholder Rights Directive II, a European Union directive that aims to improve corporate

governance. We highlight these because they involved a vote at a company in which Vanguard holds a meaningful ownership position, conveyed our perspective on an important governance topic elevated during the proxy season, or communicated our view of positive progress—or lack of it—by a company and its board. In some instances, more than one proposal that our analysts evaluated for a given company is included.

A diamond (◆) in the Ballot Item column denotes a management proposal. Highlighting these votes and their rationale is part of our effort to provide increased transparency on Vanguard’s investment stewardship voting activities.

Americas*

Company name/ meeting date	Ballot item	Vote	Vote rationale
Abbott Laboratories 4/24/2020	7 Adopt simple-majority vote	For	Aligned with proxy voting policy—support proposals that empower shareholders.
Alphabet, Inc. 6/03/2020	1.6 Elect director: Compensation committee chair ◆	Withhold	Misaligned with proxy voting policy—ongoing compensation concerns.
	4 Advisory vote to ratify named executive officers’ compensation ◆	Against	Misaligned with proxy voting policy—concerns with structure and disclosure.
	5 Approve recapitalization plan for all stock to have one vote per share	For	Aligned with proxy voting policy—support proposals that empower shareholders.
	11 Require a majority vote for the election of directors	For	Aligned with proxy voting policy—support proposals that require majority vote for director elections if the company does not have a director resignation policy.
Altria Group, Inc. 5/14/2020	3 Advisory vote to ratify named executive officers’ compensation ◆	Against	Misaligned with proxy voting policy—concerns with pay-for-performance alignment.
Atlas Air Worldwide Holdings, Inc. 6/09/2020	3 Advisory vote to ratify named executive officers’ compensation ◆	Against	Misaligned with proxy voting policy—concerns with pay-for-performance alignment, amount of pay, structure, and disclosure.
Bloomin’ Brands, Inc. 5/29/2020	5 Declassify the board of directors	For	Aligned with proxy voting policy—support proposals that empower shareholders.
Boeing Co. 4/27/2020	1b Elect Director David L. Calhoun ◆	For	Concerns raised, but support warranted (exception for time in role).
	1c Elect Director Arthur D. Collins, Jr. ◆	For	Concerns raised, but support warranted.
	1d Elect Director Edmund P. Giambastiani, Jr. ◆	For	Concerns raised, but support warranted.

*A company’s regional classification is based on its country of coverage. Country of coverage is determined by a company’s corporate governance profile, listed exchange rules, and multi-nationality.

Americas

Company name/ meeting date	Ballot item	Vote	Vote rationale
Boeing Co. 4/27/2020	1h Elect Director Lawrence W. Kellner ♦	Against	Misaligned with proxy voting policy—oversight failures.
	1l Elect Director Susan C. Schwab ♦	For	Concerns raised, but support warranted.
	1m Elect Director Ronald A. Williams ♦	For	Concerns raised, but support warranted.
	6 Require independent board chairman	For	Support warranted—concerns with risk oversight. Proposal will enhance board leadership and benefit shareholders.
Bunge Ltd. 5/21/2020	3 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with pay-for-performance alignment, structure, disclosure, and excessive one-time award payment.
Centene Corp. 4/28/2020	6 Eliminate supermajority vote requirement	For	Aligned with proxy voting policy—support proposals that empower shareholders.
Children's Place, Inc. 5/14/2020	4 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with pay-for-performance alignment, excessive amount of pay, structure, and disclosure.
CK Hutchison Holdings Ltd. 5/14/2020	3b Elect Kam Hing Lam as director ♦	Against	Misaligned with proxy voting policy—oversight failure, noncompliance with the Hong Kong governance code without a compelling reason.
	3c Elect Edith Shih as director ♦	Against	Misaligned with proxy voting policy—oversight failure, noncompliance with the Hong Kong governance code without a compelling reason.
Cleveland-Cliffs, Inc. 4/22/2020	3 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with pay-for-performance alignment.
Colony Capital, Inc. 5/05/2020	2 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with structure.
CONMED Corp. 5/21/2020	7 Amend nonemployee director omnibus stock plan ♦	Against	Misaligned with proxy voting policy—concerns with potential dilution.
CVS Health Corp. 5/14/2020	3 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with pay-for-performance alignment and excessive magnitude of pay.
DaVita, Inc. 6/11/2020	4 Approve omnibus stock plan ♦	Against	Misaligned with proxy voting policy—concerns with potential dilution.
Diamondback Energy, Inc. 6/03/2020	2 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with excessive one-time grants to CFO and other nonexecutive officers.
Dollar Tree, Inc. 6/11/2020	4 Report on emissions targets and goals	For	Proposal found to be a reasonable ask, addresses a material financial risk, and company committed to enhanced reporting.

Americas

Company name/ meeting date	Ballot item	Vote	Vote rationale
Duke Energy Corp. 5/7/2020	5 Eliminate supermajority vote requirement	For	Aligned with proxy voting policy—support proposals that empower shareholders.
DXC Technology Co. 8/13/2020	3 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with one-time award to former CEO without compelling rationale or alignment to a long-term strategy/plan.
E*TRADE Financial Corp. 5/7/2020	4 Adopt simple-majority vote	For	Aligned with proxy voting policy—support proposals that empower shareholders.
Element Solutions, Inc. 6/16/2020	1d Elect Director Ian G.H. Ashken ♦	Against	Misaligned with proxy voting policy—low "Say on Pay" support.
	1g Elect Director Nichelle Maynard-Elliott ♦	Against	Misaligned with proxy voting policy—low "Say on Pay" support.
	1h Elect Director E. Stanley O'Neal ♦	Against	Misaligned with proxy voting policy—low "Say on Pay" support.
	2 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with structure and one-time award payments.
Facebook, Inc. 5/27/2020	4 Approve recapitalization plan for all stock to have one vote per share	For	Aligned with proxy voting policy—support proposals that empower shareholders.
	5 Require independent board chair	For	Support warranted—ongoing, unmitigated concerns regarding independence.
	6 Require a majority vote for the election of directors	For	Aligned with proxy voting policy—support proposals that require majority vote for director elections if the company does not have a director resignation policy.
Fastenal Co. 4/25/2020	4 Report on workforce diversity	For	Proposal found to be a reasonable ask, addresses a material financial risk, and existing disclosures are insufficient.
Federal Realty Investment Trust 5/06/2020	2 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with pay-for-performance alignment and structure.
FleetCor Technologies, Inc. 6/11/2020	4 Provide right to call special meeting	For	Aligned with proxy voting policy—support proposals that empower shareholders.
Ford Motor Co. 5/14/2020	4 Approve recapitalization plan for all stock to have one vote per share	For	Aligned with proxy voting policy—support proposals that empower shareholders.
Fortinet, Inc. 6/19/2020	5 Report on workforce diversity	For	Proposal found to be a reasonable ask, addresses a material financial risk, and existing disclosures are insufficient.
Genuine Parts Co. 4/27/2020	4 Report on workforce diversity	For	Proposal found to be a reasonable ask, addresses a material financial risk, and existing disclosures are insufficient.

Americas

Company name/ meeting date	Ballot item	Vote	Vote rationale
Johnson & Johnson 4/23/2020	6 Report on opioid risk management	For	Proposal found to be a reasonable ask, addresses a material financial risk, and enhanced disclosures will benefit shareholders.
Kaman Corp. 4/15/2020	2 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with compensation plan.
Keurig Dr Pepper, Inc. 6/24/2020	1c Elect Director Peter Harf ♦	Against	Misaligned with proxy voting policy—lack of committee independence (consecutive years).
	1d Elect Director Genevieve Hovde ♦	Against	Misaligned with proxy voting policy—lack of committee independence (consecutive years).
	1f Elect Director Paul S. Michaels ♦	Against	Misaligned with proxy voting policy—lack of committee independence (consecutive years).
	1k Elect Director Dirk Van de Put ♦	Against	Misaligned with proxy voting policy—lack of committee independence (consecutive years).
KLA Corp. 11/04/2020	4 Adopt proxy access right	For	Aligned with proxy voting policy—support proposals that empower shareholders.
Kraft Heinz Co. 5/07/2020	5 Reduce supermajority vote requirement	For	Aligned with proxy voting policy—support proposals that empower shareholders.
Marathon Petroleum Corp. 4/29/2020	5 Adopt simple-majority vote	For	Aligned with proxy voting policy—support proposals that empower shareholders.
Medpace Holdings, Inc. 5/15/2020	3 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with structure and one-time award payments.
Netflix, Inc. 6/4/2020	1b Elect Director Jay C. Hoag ♦	Withhold	Misaligned with proxy voting policy—reappointment of director who failed to receive majority support.
	1c Elect Director Mathias Dopfner ♦	Withhold	Misaligned with proxy voting policy—low "Say on Pay" support.
	3 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with compensation plan.
	6 Adopt simple-majority vote	For	Aligned with proxy voting policy—support proposals that empower shareholders.
News Corp. 11/18/2020	5 Adopt simple-majority vote	For	Aligned with proxy voting policy—support proposals that empower shareholders.
Nike, Inc. 9/17/2020	2 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with structure and disclosure.
Oceaneering International, Inc. 5/8/2020	1c Elect Director Jon Erik Reinhardsen ♦	Withhold	Misaligned with proxy voting policy—lack of committee independence (consecutive years).
OGE Energy Corp. 5/21/2020	5 Provide right to act by written consent	For	Aligned with proxy voting policy—support proposals that empower shareholders.

Americas

Company name/ meeting date	Ballot item	Vote	Vote rationale
Oracle Corp. 11/4/2020	2 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy— concerns with structure.
	5 Report on gender pay gap	For	Proposal found to be a reasonable ask, and ongoing concerns with progress made on gender pay gap and existing disclosures.
	6 Require independent board chair	For	Support warranted—ongoing concerns with effectiveness of the board and independence.
O'Reilly Automotive, Inc. 5/14/2020	6 Report on workforce diversity	For	Proposal found to be a reasonable ask, addresses a material financial risk, and existing disclosures are insufficient.
Paycom Software, Inc. 4/27/2020	3 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy— concerns with compensation plan.
Procter & Gamble Co. 10/13/2020	5 Report on efforts to eliminate deforestation	For	Support warranted—company has not made sufficient progress toward internal targets and insufficient existing disclosures.
QUALCOMM, Inc. 3/10/2020	4 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy— concerns with structure.
Range Resources Corp. 5/13/2020	2 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy— concerns with pay-for-performance alignment, structure, and disclosure.
Raytheon Technologies Corp. 4/27/2020	4 Adopt simple-majority vote	For	Aligned with proxy voting policy—support proposals that empower shareholders.
Santander Consumer USA Holdings, Inc. 6/10/2020	1.4 Elect Director Stephen A. Ferriss ♦	Withhold	Misaligned with proxy voting policy—lack of committee independence.
	3 Report on fair lending: Racial discrimination risk	For	Proposal found to be a reasonable ask and existing disclosures are insufficient compared with industry peers.
SEACOR Holdings, Inc. 6/2/2020	1.2 Elect Director David R. Berz ♦	Withhold	Misaligned with proxy voting policy—lack of committee independence (consecutive years).
	1.5 Elect Director Christopher P. Papouras ♦	Withhold	Misaligned with proxy voting policy—lack of committee independence (consecutive years).
SmartCentres Real Estate Investment Trust 12/09/2020	1.3 Elect Trustee Jamie McVicar ♦	Withhold	Misaligned with proxy voting policy—lack of committee independence.
Snap-on, Inc. 4/23/2020	3 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy— concerns with pay-for-performance alignment, structure, and disclosure.
TEGNA, Inc. 4/30/2020	1.1 Elect Director Gina L. Bianchini ♦	For	Support warranted, no compelling case for change.
	1.2 Elect Director Howard D. Elias ♦	For	Support warranted, no compelling case for change.
	1.3 Elect Director Stuart J. Epstein ♦	For	Support warranted, no compelling case for change.

Americas

Company name/ meeting date	Ballot item	Vote	Vote rationale	
TEGNA, Inc. 4/30/2020	1.4 Elect Director Lidia Fonseca ◆	For	Support warranted, no compelling case for change.	
	1.5 Elect Director Karen H. Grimes ◆	For	Support warranted, no compelling case for change.	
	1.6 Elect Director David T. Lougee ◆	For	Support warranted, no compelling case for change.	
	1.7 Elect Director Scott K. McCune ◆	For	Support warranted, no compelling case for change.	
	1.8 Elect Director Henry W. McGee ◆	For	Support warranted, no compelling case for change.	
	1.9 Elect Director Susan Ness ◆	For	Support warranted, no compelling case for change.	
	1.10 Elect Director Bruce P. Nolop ◆	For	Support warranted, no compelling case for change.	
	1.11 Elect Director Neal Shapiro ◆	For	Support warranted, no compelling case for change.	
	1.12 Elect Director Melinda C. Witmer ◆	For	Support warranted, no compelling case for change.	
	Tesla, Inc. 9/22/2020	5 Adopt simple-majority vote	For	Aligned with proxy voting policy—support proposals that empower shareholders.
	T-Mobile US, Inc. 6/4/2020	1.12 Elect Director Teresa A. Taylor ◆	Withhold	Misaligned with proxy voting policy—lack of committee independence.
3 Advisory vote to ratify named executive officers’ compensation ◆		Against	Misaligned with proxy voting policy—concerns with pay-for-performance alignment, excessive amount of pay, structure, and disclosure.	
TransDigm Group, Inc. 6/29/2020	1.3 Elect Director Mervin Dunn ◆	Withhold	Misaligned with proxy voting policy—low “Say on Pay” support.	
	1.4 Elect Director Michael S. Graff ◆	Withhold	Misaligned with proxy voting policy—low “Say on Pay” support.	
	1.5 Elect Director Sean P. Hennessy ◆	Withhold	Misaligned with proxy voting policy—low “Say on Pay” support.	
	1.10 Elect Director Robert J. Small ◆	Withhold	Misaligned with proxy voting policy—low “Say on Pay” support.	
	2 Advisory vote to ratify named executive officers’ compensation ◆	Against	Misaligned with proxy voting policy—concerns with pay-for-performance alignment and structure.	
	4 Adopt quantitative company-wide greenhouse gas emissions goals	For	Proposal found to be a reasonable ask and existing disclosures are insufficient.	
United Parcel Service, Inc. 5/14/2020	5 Approve recapitalization plan for all stock to have one vote per share	For	Aligned with proxy voting policy—support proposals that empower shareholders.	
	6 Report on climate change	For	Proposal found to be a reasonable ask, addresses a material financial risk, and existing disclosures are insufficient.	

Americas

Company name/ meeting date	Ballot item	Vote	Vote rationale
Universal Health Services, Inc. 5/20/2020	3 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy— concerns with pay-for-performance alignment and structure.
Vornado Realty Trust 5/14/2020	3 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy— concerns with one-time award to newly hired nonexecutive officer.
XPO Logistics, Inc. 5/14/2020	4 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy— concerns with excessive amount of pay and special equity grants structure.

Europe, the Middle East, and Africa

Company name/ meeting date	Ballot item	Vote	Vote rationale
Aena SME SA 10/29/2020	11 Present climate transition plan at the 2021 AGM and climate action update reports from 2022 onward, and submit them to a consultative vote as a separate agenda item	For	Adoption of the proposal would formalize and improve the company's existing disclosure and policies.
	12 Add New Article 50 bis	For	Adoption of the proposal would formalize and improve the company's existing disclosure and policies.
Anheuser-Busch InBev SA/NV 6/3/2020	B9 Approve remuneration report ♦	Against	Misaligned with proxy voting policy—concerns with structure.
Atlantia SPA 5/29/2020	6.2 Approve second section of the remuneration report ♦	Against	Misaligned with proxy voting policy—concerns with excessive severance payment to outgoing CEO.
Coloplast A/S 12/03/2020	6.3 Instruct board to complete an assessment of the company's ability to publish country-by-country tax reporting, in line with the Global Reporting Initiative's Standard (GRI 207: Tax 2019) starting from financial year 2021/22	For	Proposal found to be in the best long-term interest of shareholders.
Compagnie Financiere Richemont SA 9/9/2020	9.3 Approve variable remuneration of executive committee ♦	Against	Misaligned with proxy voting policy—concerns with structure, disclosure, and excessive amount of pay.
NXP Semiconductors NV 5/27/2020	11 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with pay-for-performance alignment.
Prosus NV 08/18/2020	2 Advisory vote to ratify named executive officers' compensation ♦	Against	Misaligned with proxy voting policy—concerns with amount and disclosure.
	5 Approve remuneration policy ♦	Against	Misaligned with proxy voting policy—concerns with structure and amount of pay.
Telefonaktiebolaget LM Ericsson 3/31/2020	23 Instruct the board to propose equal voting rights for all shares at Annual Meeting 2021	For	Aligned with proxy voting policy—support proposals that empower shareholders.

Asia-Pacific

Company name/ meeting date	Ballot item	Vote	Vote rationale
Macquarie Group Ltd. 7/30/2020	3 Elect Stephen Mayne as director	Against	No compelling rationale to support the shareholder nomination.
NextDC Ltd. 11/13/2020	1 Approve remuneration report ♦	Against	Misaligned with proxy voting policy— concerns with pay-for-performance alignment and structure.
Qube Holdings Ltd. 11/26/2020	3 Approve remuneration report ♦	Against	Misaligned with proxy voting policy— concerns with pay-for-performance alignment, structure, and disclosure.
Takeda Pharmaceutical Co. Ltd. 6/24/2020	5 Elect shareholder Director and Audit Committee member nominee Takeshi Ito	Against	No compelling rationale to support the shareholder nomination.
Westpac Banking Corp. 12/11/2020	5a Elect Noel Davis as director	Against	No compelling rationale to support the shareholder nomination.
	5b Elect Paul Whitehead as director	Against	No compelling rationale to support the shareholder nomination.