

# Quarterly Key Votes Report

(January 1, 2023–March 31, 2023)

May 2023

One of the most visible signs of Vanguard's engaged ownership is our funds' proxy voting at company shareholder meetings. Our Investment Stewardship team conducts voting activities on behalf of the Vanguard-advised funds.<sup>1</sup> Proxy voting is an important opportunity for the funds to safeguard the best interests of our long-term investors. Investment stewardship activities, including proxy voting, for Vanguard's externally managed active funds are supported by each fund's external advisors.

The entries in the table below are a representative sample of the types of proposals evaluated by our Investment Stewardship team during the first quarter of 2023 (January 1, 2023–March 31, 2023).

We highlight these because they convey our perspective on an important governance topic or a shareholder proposal submitted by other investors, or they demonstrate our concern—or lack thereof—regarding some aspects of a company's governance practices. Highlighting these votes and their rationale is part of our effort to provide investors and other interested parties with a clear understanding of Vanguard's investment stewardship activities on behalf of our funds.

## Americas

Company name/ meeting date	Proposal type*	Ballot item	Vote	Vote rationale
UniFirst Corp. 1/10/2023	M	1.3 Elect Director Raymond C. Zemlin	Withhold	Insufficient disclosure related to board composition.
TransDigm Group Inc. 3/9/2023	M	3 Advisory Vote to Ratify Named Executive Officers' Compensation	Against	Concerns with one or more of the following: pay and performance alignment, magnitude (quantum) of pay, disclosure, and/or pay structure.
Aerojet Rocketdyne Holdings, Inc. 3/16/2023	S	2.8 Elect Director Lance W. Lord	For	Support warranted based on the candidate's experience, independence, and/or qualifications.

\*"M" denotes a management proposal; "S" denotes a shareholder proposal.

<sup>1</sup> Vanguard's Investment Stewardship program is responsible for proxy voting and engagement on behalf of the quantitative and index equity portfolios advised by Vanguard (together, "Vanguard-advised funds"). Vanguard's externally managed portfolios are managed by unaffiliated third-party investment advisors, and proxy voting and engagement for those portfolios are conducted by their respective advisors. As such, throughout this document, "we" and "the funds" are used to refer to Vanguard's Investment Stewardship program and Vanguard-advised funds, respectively.

## Americas

Company name/ meeting date	Proposal type	Ballot item	Vote	Vote rationale
Urstadt Biddle Properties Inc. 3/22/2023	M	1a Elect Director Kevin J. Bannon	Against	Board actions limiting shareholder rights.
	M	1b Elect Director Richard Grellier	Against	Board actions limiting shareholder rights.
	M	5 Amend Restricted Stock Plan	Against	Concerns with plan structure.
Starbucks Corp. 3/23/2023	S	8 Commission Third Party Assessment on Company's Commitment to Freedom of Association and Collective Bargaining Rights	Against	Addresses material risk, but company has already taken sufficient actions and/or has related actions pending to address proponent request.

Vanguard publishes Investment Stewardship Policy and Voting Insights to promote good corporate governance practices and to provide public companies and investors with our perspectives on important governance topics and key votes. This is part of our growing effort to enhance disclosure of Vanguard's investment stewardship voting and engagement activities. We aim to provide additional clarity on Vanguard's stance on governance matters beyond what a policy document or a single vote can do. Insights should be viewed in conjunction with the most recent region- and country-specific voting policies.

The funds for which Vanguard acts as investment advisor (Vanguard-advised funds) retain the authority to vote proxies that the funds receive. To facilitate the funds' proxy voting, the boards of the Vanguard-advised funds have adopted Proxy Voting Procedures and Policies that reflect the fund boards' instructions governing proxy voting. The boards of the funds that are advised by managers not affiliated with Vanguard (external managers) have delegated the authority to vote proxies related to the funds' portfolio securities to their respective investment advisor(s). Each external manager votes such proxies in accordance with its own proxy voting policies and procedures, which are reviewed and approved by the fund board annually. The Vanguard Group, Inc., has not been delegated proxy voting authority on behalf of the Vanguard-advised funds.

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