

Vanguard

Proxy Voting Policy Evolution: 2022-2026

Analysis of 5 policy versions across 4 revision cycles

Based on archived versions from the Wayback Machine
and Vanguard's public website

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Executive Summary

This report analyzes 5 versions of Vanguard's proxy voting guidelines spanning 2022-2026. Over this period, the guidelines remained at 19 pages and the number of identifiable policy statements changed from 110 to 47. Policy revisions were detected in 4 of the 4 year-over-year transitions examined.

Over the 2022-2026 period, Vanguard's guidelines have become more concise and principles-based, with policy statements decreasing from 110 to 47 - suggesting a shift from prescriptive rules to broader governance principles. Conversely, Board Composition & Diversity and Climate & Sustainability have seen reduced emphasis, consistent with broader industry trends.

The most significant revision occurred in 2026 (compared to 2025), with 17% textual similarity, 14 new statements added, and 95 removed. A second major revision occurred in 2024. These inflection points mark the key moments when Vanguard substantively rethought its governance approach.

Key Observations

- Board Composition & Diversity: Notably reduced from 81 to 31 references, suggesting a deliberate de-emphasis over this period.
- Climate & Sustainability: Notably reduced from 24 to 6 references, suggesting a deliberate de-emphasis over this period.
- Executive Compensation: Relatively stable (84 -> 85 references), suggesting consistent governance priorities in this area
- Shareholder Rights & Proposals: Relatively stable (47 -> 49 references), suggesting consistent governance priorities in this area
- Board Independence & Oversight: Notably reduced from 33 to 16 references, suggesting a deliberate de-emphasis that began after 2024 when coverage peaked at 39 references.
- Human Capital Management: Relatively stable (19 -> 12 references), suggesting consistent governance priorities in this area
- Voting Approach & Engagement: Notably reduced from 61 to 9 references, suggesting a deliberate de-emphasis that began after 2024 when coverage peaked at 70 references.

Year-by-Year Policy Changes

2022

Document: 19 pages, 173 KB, approximately 7,474 words, 110 policy statements identified.

2023

Document: 18 pages, 241 KB, approximately 7,285 words, 116 policy statements identified.

A major restructuring or rewrite occurred compared to the 2022 edition (44% textual similarity). 20 policy statements were modified, 16 added, and 10 removed.

Section Renames:

- "Specific to environmental proposals (not exhaustive):" -> "Considerations for environmental and social proposals:"

New Sections:

- "A fund may support shareholder proposals that:"
- "Specific to environmental proposals (not exhaustive):"
- "Additional considerations:"

Notable Language Changes:

2022:

"A fund will generally vote for a shareholder proposal to adopt confidential voting. - Time-phased voting."

2023:

"A fund will generally vote for a proposal to amend a 401(k) plan to allow for excess benefits."

2022:

"The policy language clarifies that a fund will generally not support the reelection of any director who is a named executive officer (NEO) and sits on more than two public boards."

2023:

"A fund will also generally vote against any director who serves on more than four public company boards."

2024

Document: 22 pages, 142 KB, approximately 8,225 words, 138 policy statements identified.

A major restructuring or rewrite occurred compared to the 2023 edition (21% textual similarity). 34 policy statements were modified, 38 added, and 16 removed.

Section Renames:

- "Additional considerations:" -> "A fund will consider support if:"

New Sections:

- "Specific to a social risk proposal (not exhaustive):"
- "(C) 2024 The Vanguard Group, Inc."

Notable Language Changes:

2023:

"A fund will generally vote against shareholder proposals to reincorporate from one state to another."

2024:

"A fund will vote case by case on management proposals to reincorporate outside the United States."

2023:

"This analysis would typically require engagements with both the company and the acquirer/activist. - A fund will generally vote for "net operating loss" (NOL) poison pills and for proposals to amend securities transfer restrictions that are intended to preserve net operating losses that would be lost as a result of a change in control, as long as the NOLs exist and the provision sets forth a..."

2024:

"In cases where this is not the practice, a fund may support a shareholder proposal to adopt such practice."

2025

Document: 20 pages, 145 KB, approximately 7,497 words, 128 policy statements identified.

A major restructuring or rewrite occurred compared to the 2024 edition (28% textual similarity). 23 policy statements were modified, 19 added, and 29 removed.

Notable Language Changes:

2024:

"When evaluating proposals to restructure or liquidate a firm, a fund will consider factors such as the financial prospects of the firm, alternative options, and management incentives."

2025:

"In evaluating board oversight, the funds will consider independence, potential conflicts of interest, and management incentives."

2024:

"A fund will generally vote against shareholder proposals that call for companies to set standards that require pay for superior performance, particularly when the proposal calls for specific performance standards."

2025:

"A fund will generally vote against shareholder proposals that call for companies to set standards that require pay for superior performance, particularly when the proposal calls for specific performance standards."

2026

Document: 19 pages, 157 KB, approximately 6,077 words, 47 policy statements identified.

A major restructuring or rewrite occurred compared to the 2025 edition (17% textual similarity). 23 policy statements were modified, 14 added, and 95 removed.

Key changes include: systematic replacement of 'typically' with 'votes' (3 instances); removal of 'vote against' enforcement language, ethnic diversity references; introduction of fiduciary duty references. This revision represents a significant inflection point in Vanguard's governance approach.

Notable Language Changes:

2025:

"In addition, a fund may vote for a director if the director has publicly committed to stepping down from the directorship(s) necessary to fall within these thresholds."

2026:

"The Funds believe that portfolio companies should adopt good governance practices regarding director commitments, including a policy regarding director capacity and commitments and disclosure of the board's oversight of the implementation of that policy."

2025:

"In cases where any of the key committees of a noncontrolled company are not entirely independent, a fund will typically vote against (a) the nonindependent members of that committee, and (b) all of the members of the board's nominating committee."

2026:

"In cases where any of the key committees of a noncontrolled company are not entirely independent, votes may be recommended against (a) the nonindependent members of that committee, and (b) all of the members of the board's nominating committee."

Thematic Evolution: Board Composition & Diversity

Vanguard's emphasis on board composition & diversity declined over the 2022-2026 period, from 81 references in 2022 to 31 in 2026. This de-emphasis may reflect changing regulatory expectations, evolving industry norms, or a deliberate strategic repositioning.

2022 (81 references)

"A fund will generally vote against the nominating and/or governance committee chair (or other director if needed) if a company's board is making insufficient progress in its diversity composition and/or in addressing its board diversity-related disclosures."

2023 (73 references)

"Absent a compelling reason, a fund will generally vote against the nominating and/or governance committee chair, or another relevant board member if the nominating and/or governance committee chair is not up for reelection, if a company's board is making insufficient progress in its diversity composition and/or in addressing its board diversity-related disclosures."

2024 (67 references)

"Board composition The funds look for boards to be "fit for purpose" by reflecting sufficient diversity of skills, experience, perspective, and personal characteristics (such as gender, age, race, and ethnicity) resulting in cognitive diversity that enables effective, independent oversight on behalf of all shareholders."

[Significant language shift from prior year]

2025 (37 references)

"Evidence of failure to provide appropriate governance oversight and/or evidence of failure to oversee material or manifested risks, including those that may be considered "social" or "environmental," will be taken into account."

[Significant language shift from prior year]

2026 (31 references)

"Board composition The Funds believe that boards should be fit for purpose by reflecting sufficient breadth of skills, experiences, and perspectives resulting in cognitive diversity that enables effective, independent oversight on behalf of all shareholders."

[Significant language shift from prior year]

Why This Matters

Board composition and diversity language in proxy voting guidelines is one of the most politically sensitive areas, directly affecting how asset managers evaluate director nominees. Changes in this area signal how Vanguard balances skills-based evaluation against demographic diversity expectations.

Thematic Evolution: Climate & Sustainability

Vanguard's emphasis on climate & sustainability declined over the 2022-2026 period, from 24 references in 2022 to 6 in 2026. This de-emphasis may reflect changing regulatory expectations, evolving industry norms, or a deliberate strategic repositioning.

2022 (24 references)

"Environmental/social proposals Disclosure proposals A fund will vote case by case on disclosure-related management and shareholder proposals based on environmental and social risks to a company."

2023 (22 references)

"A fund may support shareholder proposals that: - Address a shortcoming in the company's current disclosure relative to market norms or to widely accepted frameworks endorsed or referenced by Vanguard's Investment Stewardship program (e.g.)"

[Significant language shift from prior year]

2024 (21 references)

"A fund may support a shareholder proposal that: - Addresses a shortcoming in the company's current disclosure relative to market norms or to widely accepted investor-oriented frameworks endorsed or referenced by Vanguard's Investment Stewardship program (e.g.)"

2025 (13 references)

"Finally, shareholders typically do not have sufficient information about specific business strategies to propose specific targets or environmental or social policies for a company, which is a responsibility that resides with management and the board."

2026 (6 references)

"Support may be recommended for a shareholder proposal that: - Addresses a shortcoming in the company's current disclosure relative to market norms or to widely accepted investor-oriented frameworks (e.g.)"

[Significant language shift from prior year]

Why This Matters

Climate and sustainability provisions are among the most closely watched elements of proxy voting guidelines, as they influence voting on shareholder proposals, risk oversight assessments, and disclosure expectations. The trajectory of Vanguard's language in this area provides insight into the broader industry shift between prescriptive ESG frameworks and financial materiality approaches.

Thematic Evolution: Executive Compensation

Vanguard's coverage of executive compensation remained relatively consistent across the 2022-2026 period (84 to 85 keyword references), suggesting this represents a stable, mature area of Vanguard's governance framework.

2022 (84 references)

"A fund will typically vote for proposals to approve golden parachutes unless they are excessive or unreasonable (e.g., severance payments that total more than three times salary plus bonus, and/or are "single trigger")."

2023 (85 references)

"A fund will typically vote for proposals to approve golden parachutes unless they are "excessive or unreasonable" (i.e., severance payments that total more than 2.99 times salary plus targeted bonus and/or have single trigger cash or equity payments)."

2024 (108 references)

"A fund will typically vote for proposals to approve severance packages (or "golden parachutes") unless they are "excessive or unreasonable" (i.e., cash severance payments that total more than 2.99 times salary plus targeted bonus and/or have single trigger cash or equity payments)."

2025 (98 references)

"A fund will typically vote for proposals to approve severance packages (or "golden parachutes") unless they are excessive or unreasonable (i.e., cash severance payments that total more than 2.99 times salary plus targeted bonus and/or have single trigger cash or equity payments)."

2026 (85 references)

"Say on Pay frequency Votes will generally be recommended for annual Say on Pay frequency (as opposed to a vote every two or three years)."

[Significant language shift from prior year]

Why This Matters

Executive compensation language directly affects how Vanguard votes on say-on-pay proposals and equity plan approvals - among the most common and consequential proxy votes. Evolving expectations here have immediate practical implications for corporate boards and compensation committees.

Thematic Evolution: Shareholder Rights & Proposals

Vanguard's coverage of shareholder rights & proposals remained relatively consistent across the 2022-2026 period (47 to 49 keyword references), suggesting this represents a stable, mature area of Vanguard's governance framework.

2022 (47 references)

"Defensive structures - Shareholder rights plan/"poison pills." A fund will generally vote against adoption of poison pill proposals and for shareholder proposals to rescind poison pills, unless company-specific circumstances require that the board and management be provided reasonable time and protection in order to guide the company's strategy without excessive short-term distractions."

2023 (50 references)

"Defensive structures - Shareholder rights plans/"poison pills." A fund will generally vote against adoption of poison pill proposals and for shareholder proposals to rescind poison pills, unless company-specific circumstances require that the board and management be provided reasonable time and protection in order to guide the company's strategy without excessive short-term distractions."

2024 (53 references)

"Shareholder rights plans/"poison pills." A fund will generally vote against adoption of poison pill proposals and for shareholder proposals to rescind poison pills, unless company-specific circumstances require that the board and management be provided reasonable time and protection in order to guide the company's strategy without excessive short-term distractions."

2025 (55 references)

"A fund will generally vote for proposals to declassify a current board and vote against management or shareholder proposals to create a classified board.Cumulative voting."

[Significant language shift from prior year]

2026 (49 references)

"Shareholder proposals that have differing thresholds will be considered if the company has not adopted any proxy access provision and does not intend to do so. Additional share classes The Funds believe that the alignment of voting and economic interests is a foundation of good governance."

[Significant language shift from prior year]

Thematic Evolution: Board Independence & Oversight

Vanguard's emphasis on board independence & oversight declined over the 2022-2026 period, from 33 references in 2022 to 16 in 2026. The decline began after 2024, when coverage peaked at 39 references. This de-emphasis may reflect changing regulatory expectations, evolving industry norms, or a deliberate strategic repositioning.

2022 (33 references)

"The primary updates include: - Key committee independence: Policy language clarifies a fund's support for when (i) only independent directors should participate in either phase of the nomination process, and (ii) when a controlled company compensation and/or nominating committee is majority independent and no employees, former employees, or persons affiliated with the controlling shareholder (if..."

2023 (27 references)

"A noncontrolled company is a company in which 50% or less of the voting power for the election of its directors is held by a single person, entity, or group."

[Significant language shift from prior year]

2024 (39 references)

"While this may take the form of an independent chair of the board or a lead independent director (with sufficiently robust authority and responsibilities), the funds generally believe that determining the appropriate independent board leadership structure should be within the purview of the board."

[Significant language shift from prior year]

2025 (34 references)

"While this may take the form of an independent chair of the board or a lead independent director (with sufficiently robust authority and responsibilities), the funds generally believe that determining the appropriate independent board leadership structure should be within the purview of the board."

2026 (16 references)

"While this may take the form of an independent chair of the board or a lead independent director (with sufficiently robust authority and responsibilities), the Funds generally believe 5that determining the appropriate independent board leadership structure should be within the purview of the board."

Thematic Evolution: Human Capital Management

Vanguard's coverage of human capital management remained relatively consistent across the 2022-2026 period (19 to 12 keyword references), suggesting this represents a stable, mature area of Vanguard's governance framework.

2022 (19 references)

"A fund will typically vote against proposals to adopt or add shares to employee stock purchase plans if they allow employees to purchase shares at a price less than 85% of fair market value. - Amending a 401(k) plan to allow excess benefits."

2023 (17 references)

"A fund will typically vote against proposals to adopt or add shares to employee stock purchase plans if they allow employees to purchase shares at a price less than 85% of fair market value.- Amending a 401(k) plan to allow excess benefits."

2024 (15 references)

"A fund will typically vote against proposals to adopt or add shares to employee stock purchase plans if they allow employees to purchase shares at a price less than 85% of fair market value."

2025 (12 references)

"A fund will typically vote against proposals to adopt or add shares to employee stock purchase plans if they allow employees to purchase shares at a price less than 85% of fair market value."

Thematic Evolution: Voting Approach & Engagement

Vanguard's emphasis on voting approach & engagement declined over the 2022-2026 period, from 61 references in 2022 to 9 in 2026. The decline began after 2024, when coverage peaked at 70 references. This de-emphasis may reflect changing regulatory expectations, evolving industry norms, or a deliberate strategic repositioning.

2022 (61 references)

"The policy language clarifies that a fund will generally not support the reelection of any director who is a named executive officer (NEO) and sits on more than two public boards."

2023 (57 references)

"In the second year that a board is not majority independent, the fund may vote against the entire board."

[Significant language shift from prior year]

2024 (70 references)

"The following policies are applied over an extended period of time; as such, if a company's board is not responsive to voting results on certain matters, a fund may withhold support for those and other matters in the future."

[Significant language shift from prior year]

2025 (66 references)

"A fund may vote against the nomination/governance committee chair if, based on research and/or engagement, a company's board composition and/or related disclosure is inconsistent with relevant market-specific governance frameworks or market norms."

[Significant language shift from prior year]

Why This Matters

The evolution of Vanguard's voting approach and engagement language is foundational - it shapes how every other governance topic is addressed. Shifts from prescriptive to principles-based, or from adversarial to collaborative, affect the entire stewardship posture.

Overall Assessment

Over 5 versions spanning 2022-2026, Vanguard's proxy voting guidelines reveal a pattern of active evolution. Of the 4 year-over-year transitions examined, 4 involved policy changes. The evolution of these guidelines provides a window into how one of the industry's institutional investors has adapted its governance expectations in response to changing market conditions, regulatory developments, and stakeholder demands.

The pace of change accelerated in the latter half of the period, with more revisions in recent years (3 changes in 2024-2026 vs 1 in 2022-2023). This acceleration likely reflects increasing regulatory and market attention to proxy voting, the rise and subsequent recalibration of ESG-focused stewardship, and growing political scrutiny of institutional investors' governance role.

The number of actionable policy statements decreased from 110 to 47, suggesting a shift toward more principles-based, less prescriptive governance guidelines. This transition from rules to principles gives Vanguard more flexibility in voting decisions while potentially reducing predictability for companies.

1. Evolving Governance Priorities

The thematic analysis reveals reduced attention to Board Composition & Diversity (81->31 refs), Climate & Sustainability (24->6 refs), Board Independence & Oversight (33->16 refs). These shifts map the changing landscape of Vanguard's governance priorities and provide companies with a roadmap for understanding what governance areas will receive the most scrutiny going forward.

2. Revision Patterns and Inflection Points

The most significant revision years were 2026, 2024, 2025. These inflection points often correspond to external catalysts: changes in the regulatory environment, major governance failures in the market, or shifts in the political landscape around institutional stewardship. Understanding when and why an asset manager revises its guidelines helps governance professionals anticipate future changes.

3. Current Governance Priorities

As of the 2026 edition, Vanguard's governance priorities ranked by emphasis are: Executive Compensation (85 refs); Shareholder Rights & Proposals (49 refs); Board Composition & Diversity (31 refs); Board Independence & Oversight (16 refs); Human Capital Management (12 refs); Voting Approach & Engagement (9 refs). Companies engaging with Vanguard should prioritize these areas when preparing for proxy season and governance discussions.

The evolution of Vanguard's proxy voting guidelines over 2022-2026 reflects the broader transformation of institutional stewardship from a compliance exercise into a strategic governance function. As the regulatory and political landscape continues to shift, these guidelines will likely continue to evolve. Governance professionals, corporate secretaries, and investor relations teams should monitor these changes to anticipate Vanguard's governance expectations and voting behavior.

Source Documents

All documents were retrieved from the Wayback Machine (web.archive.org) and the manager's public website:

Year	Pages	Size	Words	Statements	Source
2022	19	173 KB	7,474	110	Wayback Machine
2023	18	241 KB	7,285	116	Wayback Machine
2024	22	142 KB	8,225	138	Wayback Machine
2025	20	145 KB	7,497	128	Wayback Machine
2026	19	157 KB	6,077	47	Live URL