Introduction

The purpose of this policy is to describe the approach taken by VIHK to responsible ownership and in particular how its policies and procedures meet the requirements of the Principles of Responsible Ownership (the “Principles”) issued by the Securities and Futures Commission of Hong Kong (the “SFC”).

What are the Principles of Responsible Ownership?

The Principles aim to describe what the SFC perceives as best practice for investors who invest in Hong Kong listed companies in respect of share ownership. The Principles are voluntary and open for investors to adopt. Investors who do not think that the Principles are relevant or suitable for them are encouraged to provide their stakeholders with disclosure which clearly explains why the Principles have not been adopted at the outset and, if applicable, explain what alternative measures they have in place. The spirit of the Principles would have already been achieved by promoting greater transparency and understanding between investors and their stakeholders.

Compliance with the Principles of Responsible Ownership

VIHK has adopted the Principles of Responsible Ownership Policy (the “Policy”), which is intended to, promote corporate governance for the protection of shareholders’ interests through the proxy voting and engagement activities of our parent company, The Vanguard Group, Inc. (“Vanguard”). The Policy applies to and must be adhered to by VIHK. The Principles are similar to those set out in the UK Stewardship Code and have been incorporated into the Stewardship Policy adopted by Vanguard Asset Management Limited and Vanguard Investments UK, Limited.

VIHK and Vanguard are committed to sound principles of corporate governance and efficient exercise of their governance responsibilities in the context of their activities as investment managers.

VIHK, as a Hong Kong asset manager, will adopt six (out of seven) Principles and explain why Principle 5 (as described below) does not, or cannot apply to it and if applicable, explain what alternative measures it has in place.
The Principles are as follows:

1. Investors should establish and report to their stakeholders their policies for discharging their ownership responsibilities.
2. Investors should monitor and engage with their investee companies.
3. Investors should consider and establish clear policies on when they will escalate their engagement activities.
4. Investors should have clear policies on voting guidance.
5. Investors should be willing to act collectively with other investors where appropriate.
6. Investors should report to their stakeholders on how they have discharged their ownership responsibilities.
7. When investing on behalf of clients, investors should have policies on managing conflicts of interests.

The Policy is part of its broader corporate governance policy. The following overview summarises the Policy by explaining how it addresses each Principle.

The Principles

1. Investors should establish and report to their stakeholders their policies for discharging their ownership responsibilities

At Vanguard, our core purpose is to take a stand for all investors, treat them fairly, and give them the best chance for investment success. To guide us in this mission, we rely on our core values of integrity, focus and stewardship in every decision we make. Vanguard’s ownership structure means integrity is foundational to our character as an organisation – we have no conflicting loyalties, and we’re built to do the right thing for clients. Our long-term perspective and disciplined approach to investing puts our focus squarely on clients and the sustainable value of their investments. Our stewardship is reflected in a commitment to keep costs low and to protect our clients from undue risk. We believe responsible investment is inherently part of Vanguard’s culture and is consistent with our fiduciary duty to manage investments in the best interest of clients.

VIHK and Vanguard support responsible investment and comply with the Hong Kong Principles of Responsible Ownership by:

- **Voting** in support of proxy proposals that, in our view, will improve our clients’ long-term investing outcomes.
- **Advocating** for responsible corporate governance, particularly with the companies in which we invest, as a driver of long-term value creation.
- **Acting** on material environmental, social, and governance (“ESG”) opportunities or risks in our investments.

Proxy voting

The most visible sign of Vanguard’s engaged ownership is our funds’ proxy voting at shareholder meetings. We have an experienced group of analysts on our Corporate Governance team that evaluate proposals and casts our funds’ votes in accordance with our voting guidelines. Our guidelines are designed to promote long-term shareholder value by supporting good corporate governance practices. They frame the analysis of each proxy proposal, providing a basis for decision-making. In evaluating votes, the Corporate Governance team may consider information from many sources, including a company’s management and board, shareholder groups, and various research and data resources. We periodically review our voting guidelines to consider further developments in governance standards or risks to long-term shareholder value.

Advocating through engagement

Our funds typically hold companies’ stock for long periods of time, and in the case of index funds, we are near-permanent investors. We believe good corporate governance is key to helping these companies maximise returns over time, and we view effective management of environmental
and social risks as an integrated component of good corporate governance practices. Significant analysis and effort are put into discussions with the directors and managers of the companies in which we invest; the level and frequency of these discussions may be influenced by the materiality of impact to our funds and the contentiousness of the issue. We believe these engagements, more so than voting, provide an opportunity to fully understand issues and target feedback and messaging to companies.

We characterise our approach as “quiet diplomacy focused on results” – providing constructive input that will, in our view, better position companies to deliver sustainable value over the long term for all investors.

We have a well-established process for identifying governance risks in our portfolio companies. We do not outsource our engagement, but communicate directly with boards and management via letters, conference calls and in-person meetings. Our key areas of focus for engagement include:
- A well-composed, independent, capable and experienced board.
- Governance structures that empower shareholders.
- Sensible remuneration that incentivises long-term performance.

Furthermore, Vanguard promotes good corporate governance and responsible investment through thoughtful participation in industry events and discussions where we can expand our advocacy and enhance our understanding of investment issues. We also engage with index providers to understand the methodology, construction and maintenance of various equity indices. Finally, we actively contribute to the development of regulatory policy with other market stakeholders to raise standards and promote best practices around the globe.

### Oversight and disclosure

The integration of ESG in Vanguard’s investment and engaged ownership practices is currently overseen by the Proxy Oversight Committee, which consists of our Chief Executive Officer and select senior officers of Vanguard. Day-to-day management of ESG integration is supported by a cross-functional team representing those groups that regularly evaluate and address environmental, social and governance risks across our product lineup.

### Ongoing review of policies and practices

We will continue to adapt and evolve our approach to responsible investment as we identify and evaluate new risks and issues affecting our investments. Our policy, guidelines and practices will be revisited on a regular basis. Any updates will be disclosed on Vanguard’s external website and through other relevant channels.

2. Investors should monitor and engage with their investee companies

Vanguard is focused on shareholder engagement and believes that by establishing a communication channel between the board and the shareholders, corporate governance can be improved and companies can ensure the decisions they make are aligned with the long-term strategic goals favoured by shareholders.

3. Investors should consider and establish clear policies on when they will escalate their engagement activities

Vanguard actively engages with boards and management on corporate governance matters appearing on AGM and EGM ballots. Matters discussed include governance structures; executive remuneration; board practices; oversight of risks, including environmental and social matters; and pending transactions and contests for board seats. We will engage on multiple occasions and frequently request director attendance to elevate issues. In some situations, we document the conversations
and commitments to change in a letter to the Chairman and Lead Independent Director to confirm our perspective and expectations. When we feel that boards or management have not been responsive, we will vote against directors and remuneration, as appropriate.

When issues are particularly contentious we have a process for elevating decisions internally to the Proxy Oversight Committee (as discussed in Principle 1). This Committee will consider the vote and may engage directly with the company’s board or management.

4. Investors should have clear policies on voting guidance

Vanguard inclusive of VIHK follow the Proxy Voting Procedure & Guidelines as outlined by Vanguard’s Board of Trustees.

Vanguard’s Proxy Voting Guidelines are as follows:

The Board of each Vanguard fund has adopted proxy voting procedures and guidelines to govern proxy voting by the fund. The Board has delegated oversight of proxy voting to the Proxy Oversight Committee (the Committee), made up of senior officers of Vanguard and subject to the procedures and guidelines described below. The Committee reports directly to the Board. Vanguard is subject to these procedures and guidelines to the extent that they call for Vanguard to administer the voting process and implement the resulting voting decisions and for these purposes the guidelines have also been approved by the Board of Directors of Vanguard.

The overarching objective in voting is simple: to support proposals and director nominees that maximise the value of a fund’s investments – and those of fund shareholders – over the long term. Although the goal is simple, the proposals the funds receive are varied and frequently complex. As such, the guidelines adopted by the Board provide a rigorous framework for assessing each proposal. Under the guidelines, each proposal must be evaluated on its merits, based on the particular facts and circumstances as presented. While we subscribe to several ESG data and service providers including proxy advisers; these providers and their research are a used as a data point or for additional background market or contextual information.

For ease of reference, the procedures and guidelines often refer to all funds. However, our processes and practices seek to ensure that proxy voting decisions are suitable for individual funds. For most proxy proposals, particularly those involving corporate governance, the evaluation will result in the same position being taken across all of the funds and the funds voting as a block. In some cases, however, a fund may vote differently, depending upon the nature and objective of the fund, the composition of its portfolio and other factors.

The guidelines do not permit the Board to delegate voting responsibility to a third party that does not serve as a fiduciary for the funds. Because many factors bear on each decision, the guidelines incorporate factors the Committee should consider in each voting decision. A fund may refrain from voting some or all of its shares if doing so would be in the fund’s and its shareholders’ best interests. These circumstances may arise, for example, if the expected cost of voting exceeds the expected benefits of voting; if exercising the vote would result in the imposition of trading or other restrictions; or if a fund (or all Vanguard-managed funds in the aggregate) were to own more than a maximum percentage of a company’s shares (as determined by the company’s governing documents).

In evaluating proxy proposals, we consider information from many sources, including but not limited to, the investment adviser of the fund, the management or shareholders of a company presenting a proposal and independent proxy research services. We will give substantial weight to the recommendations of the company’s board, absent guidelines or other specific facts that would support a vote against management. In
all cases, however, the ultimate decision rests with the members of the Committee, who are accountable to the fund’s Board.

While serving as a framework, the following guidelines cannot contemplate all possible proposals with which a fund may be presented. In the absence of a specific guideline for a particular proposal (e.g. in the case of a transactional issue or contested proxy), the Committee will evaluate the issue and cast the fund’s vote in a manner that, in the Committee’s view, will maximise the value of the fund’s investment, subject to the individual circumstances of the fund.

I. The Board of Directors
A. Election of directors
Good governance starts with a majority-independent board, whose key committees are composed entirely of independent directors. As such, companies should attest to the independence of directors who serve on the compensation, nominating and audit committees. In any instance in which a director is not categorically independent, the basis for the independence determination should be clearly explained in the proxy statement.

While the funds will generally support the board’s nominees, the following factors will be taken into account in determining each fund’s vote:

Factors for approval
- Nominated slate results in board composed of a majority of independent directors.
- All members of audit, nominating and compensation committees are independent of management.
- Factors against approval
- Nominated slate results in board composed of a majority of non-independent directors.
- Audit, nominating and/or compensation committees include non-independent members.
- Incumbent board member failed to attend at least 75% of meetings in the previous year.
- Actions of committee(s) on which nominee serves are inconsistent with other guidelines (e.g. excessive equity grants, substantial non-audit fees, lack of board independence).

B. Contested director elections
In the case of contested board elections, we will evaluate the nominees’ qualifications, the performance of the incumbent board and the rationale behind the dissidents’ campaign, to determine the outcome that we believe will maximise shareholder value.

C. Classified boards
The funds will generally support proposals to declassify existing boards (whether proposed by management or shareholders), and will block efforts by companies to adopt classified board structures in which only part of the board is elected each year.

II. Approval of independent auditors
The relationship between the company and its auditors should be limited primarily to the audit, although it may include certain closely related activities that do not, in the aggregate, raise any appearance of impaired independence. The funds will generally support management’s recommendation for the ratification of the auditor, except in instances where audit and audit-related fees make up less than 50% of the total fees paid by the company to the audit firm. We will evaluate on a case-by-case basis instances in which the audit firm has a substantial non-audit relationship with the company (regardless of its size relative to the audit fee) to determine whether independence has been compromised.
III. Compensation issues

A. Stock-based compensation plans

- Appropriately designed stock-based compensation plans, administered by an independent committee of the board and approved by shareholders, can be an effective way to align the interests of long-term shareholders with the interests of management, employees and directors. The funds oppose plans that substantially dilute their ownership interest in the company, provide participants with excessive awards, or have inherently objectionable structural features.

- An independent compensation committee should have significant latitude to deliver varied compensation to motivate the company’s employees. However, we will evaluate compensation proposals in the context of several factors (a company’s industry, market capitalisation, competitors for talent, etc.) to determine whether a particular plan or proposal balances the perspectives of employees and the company’s other shareholders. We will evaluate each proposal on a case-by-case basis, taking all material facts and circumstances into account.

- The following factors will be among those considered in evaluating these proposals:
  
  **Factors for approval**
  
  - Company requires senior executives to hold a minimum amount of company stock (frequently expressed as a multiple of salary).
  - Company requires shares acquired through equity awards to be held for a certain period of time.
  - Compensation programme includes performance-vesting awards, indexed options or other performance-linked grants.
  - Concentration of equity grants to senior executives is limited (indicating that the plan is very broad-based).
  - Share-based compensation is clearly used as a substitute for cash in delivering market-competitive total pay.

  **Factors against approval**
  
  - Total potential dilution (including all share-based plans) exceeds 15% of shares outstanding.
  - Annual equity grants have exceeded 2% of shares outstanding.
  - Plan permits repricing or replacement of options without shareholder approval.
  - Plan provides for the issuance of reload options.
  - Plan contains automatic share replenishment (“evergreen”) feature.

B. Bonus plans

Bonus plans should have clearly defined performance criteria and maximum awards expressed in dollars or equivalent local currency. Bonus plans with awards that are excessive in both absolute terms and relative to a comparative group generally will not be supported.

C. Employee share purchase plans

The funds will generally support the use of employee stock purchase plans to increase company share ownership by employees, provided that shares purchased under the plan are acquired for no less than 85% of their market value and that shares reserved under the plan constitute less than 5% of the outstanding shares.

D. Advisory votes on executive compensation ("Say on Pay")

In addition to proposals on specific equity or bonus plans, the funds are required to cast advisory votes approving many companies’ overall executive compensation plans (so-called “Say on Pay” votes). In evaluating these proposals, we consider a number of factors, including the amount of compensation that is at risk, the amount of equity-based compensation that is linked to the company’s performance, and the level of compensation as compared to industry peers. The funds will generally support pay programmes that demonstrate effective linkage between pay and performance over time and that provide compensation opportunities that are competitive relative to industry peers. On the
other hand, pay programmes in which significant compensation is guaranteed or insufficiently linked to performance will be less likely to earn our support.

E. Executive severance agreements ("golden parachutes")

Although executives’ incentives for continued employment should be more significant than severance benefits, there are instances, particularly in the event of a change in control, in which severance arrangements may be appropriate. Severance benefits payable upon a change of control AND an executive’s termination (so-called double-trigger plans) are generally acceptable to the extent that benefits paid do not exceed three times salary and bonus. Arrangements in which the benefits exceed three times salary and bonus should be justified and submitted for shareholder approval. We do not generally support guaranteed severance absent a change in control or arrangements that do not require the termination of the executive (so-called single-trigger plans).

IV. Corporate structure and shareholder rights

The exercise of shareholder rights, in proportion to economic ownership, is a fundamental privilege of stock ownership that should not be unnecessarily limited. Such limits may be placed on shareholders’ ability to act by corporate charter or bylaw provisions, or by the adoption of certain takeover provisions. In general, the market for corporate control should be allowed to function without undue interference from these artificial barriers.

The funds’ positions on a number of the most commonly presented issues in this area are as follows:

A. Shareholder rights plans ("poison pills")

A company’s adoption of a so-called poison pill effectively limits a potential acquirer’s ability to buy a controlling interest without the approval of the target’s board of directors. Such a plan, in conjunction with other takeover defences, may serve to entrench incumbent management and directors. However, in other cases, a poison pill may force a suitor to negotiate with the board and result in the payment of a higher acquisition premium.

In general, shareholders should be afforded the opportunity to approve shareholder rights plans within a year of their adoption. This provides the board with the ability to put a poison pill in place for legitimate defensive purposes, subject to subsequent approval by shareholders. In evaluating the approval of proposed shareholder rights plans, we will consider the following factors:

Factors for approval
• Plan is relatively short-term (3–5 years).
• Plan requires shareholder approval for renewal.
• Plan incorporates review by a committee of independent directors at least every three years (so-called TIDE provisions).
• Plan includes permitted bid/qualified offer feature ("chewable pill") that mandates shareholder vote in certain situations.
• Ownership trigger is reasonable (15–20%).
• Highly independent, non-classified board.

Factors against approval
• Plan is long-term (>5 years).
• Renewal of plan is automatic or does not require shareholder approval.
• Ownership trigger is less than 15%.
• Classified board.
• Board with limited independence.

B. Increase in authorised shares

The funds are supportive of companies seeking to increase authorised share amounts that do not potentially expose shareholders to excessive dilution. We will generally approve increases of up to 50% of the current share authorisation, but will also consider a company’s specific circumstances and market practices.
C. Cumulative voting
The funds are generally opposed to cumulative voting under the premise that it allows shareholders a voice in director elections that is disproportionate to their economic investment in the corporation.

D. Supermajority vote requirements
The funds support shareholders’ ability to approve or reject matters presented for a vote based on a simple majority. Accordingly, the funds will support proposals to remove supermajority requirements and oppose proposals to impose them.

E. Right to call meetings and act by written consent
The funds support shareholders’ right to call special meetings of the board (for good cause and with ample representation) and to act by written consent. The funds will generally vote for proposals to grant these rights to shareholders and against proposals to abridge them.

F. Confidential voting
The integrity of the voting process is enhanced substantially when shareholders (both institutions and individuals) can vote without fear of coercion or retribution based on their votes. As such, the funds support proposals to provide confidential voting.

G. Dual classes of shares
We are opposed to dual-class capitalisation structures that provide disparate voting rights to different groups of shareholders with similar economic investments. We will oppose the creation of separate classes with different voting rights and will support the dissolution of such classes.

V. Corporate and social policy issues
Proposals in this category, initiated primarily by shareholders, typically request that the company disclose or amend certain business practices. The Board generally believes that these are “ordinary business matters” that are primarily the responsibility of management and should be evaluated and approved solely by the corporation’s board of directors. Often, proposals may address concerns with which the Board philosophically agrees, but absent a compelling economic impact on shareholder value (e.g. proposals to require expensing of stock options), the funds will typically abstain from voting on these proposals. This reflects the belief that regardless of our philosophical perspective on the issue, these decisions should be the province of company management unless they have a significant, tangible impact on the value of a fund’s investment and management is not responsive to the matter.

VI. Voting in non-US markets
Corporate governance standards, disclosure requirements, and voting mechanics vary greatly in global markets in which the funds may invest. Each fund’s votes will be used, where applicable, to advocate for improvements in governance and disclosure by each fund’s portfolio companies. We will evaluate issues presented to shareholders for each fund’s global holdings in context with the guidelines described above, as well as local market standards and best practices. The funds will cast their votes in a manner believed to be philosophically consistent with these guidelines, while taking into account differing practices by market. In addition, there may be instances in which the funds elect not to vote, as described below.

Many global markets require that securities be “blocked” or reregistered to vote at a company’s meeting. Absent an issue of compelling economic importance, we will generally not subject the fund to the loss of liquidity imposed by these requirements. The costs of voting (e.g. custodian fees, vote agency fees) in global markets may be substantially higher than for US holdings. As such, the fund may limit its voting on global holdings in instances where the issues presented are unlikely to have a material impact on shareholder value.
VII. Voting shares of a company that has an ownership limitation

Certain companies have provisions in their governing documents that restrict stock ownership in excess of a specified limit. The ownership limit may be applied at the individual fund level or across all Vanguard-advised funds. Typically, these ownership restrictions are included in the governing documents of real estate investment trusts, but may be included in other companies’ governing documents.

A company’s governing documents normally allow the company to grant a waiver of these ownership limits, which allows a fund (or all Vanguard-managed funds) to exceed the stated ownership limit. Sometimes the company will grant a waiver without restriction. From time to time, a company may grant a waiver only if a fund (or funds) agrees to not vote the company’s shares in excess of the normal specified limit. In such a circumstance, a fund may refrain from voting shares if owning the shares beyond the company’s specified limit is in the best interests of the fund and its shareholders.

VIII. Voting on a fund’s holdings of other Vanguard funds

Certain Vanguard funds (“owner funds”) may, from time to time, own shares of other Vanguard funds (“underlying funds”). If an underlying fund submits a matter to a vote of its shareholders, votes for and against such matters on behalf of the owner funds will be cast in the same proportion as the votes of the other shareholders in the underlying fund.

IX. The Proxy Voting Group

The Board has delegated the day-to-day operations of the funds’ proxy voting process to the Proxy Voting Group, which the Committee oversees. Although most votes will be determined subject to the individual circumstances of each fund and by reference to the guidelines as separately adopted by each of the funds, there may be circumstances when the Proxy Voting Group will refer proxy issues to the Committee for consideration. In addition, the Board has the authority to vote proxies only when, in the Board’s or the Committee’s discretion, such action is warranted.

The Proxy Voting Group performs the following functions: (1) managing proxy voting vendors; (2) reconciling share positions; (3) analysing proxy proposals using factors described in the guidelines; (4) determining and addressing potential or actual conflicts of interest that may be presented by a particular proxy; and (5) voting proxies. The Proxy Voting Group also prepares periodic and special reports to the Board and any proposed amendments to the procedures and guidelines.

X. The Proxy Oversight Committee

The Board, including a majority of the independent directors, appoints the members of the Committee who are senior officers of Vanguard.

The Committee does not include anyone whose primary duties include external client relationship management or sales. This clear separation between the proxy voting and client relationship functions is intended to eliminate any potential conflict of interest in the proxy voting process. In the unlikely event that a member of the Committee believes he or she might have a conflict of interest regarding a proxy vote, that member must recuse himself or herself from the committee meeting at which the matter is addressed and not participate in the voting decision.

The Committee works with the Proxy Voting Group to provide reports and other guidance to the Board regarding proxy voting by the funds. The Committee has an obligation to conduct its meetings and exercise its decision-making authority subject to the fiduciary standards of good faith, fairness, and Vanguard’s Code of Ethics. The Committee shall authorise proxy votes that the Committee determines, at its sole discretion, to be in the best interests of each fund’s shareholders. In determining how to apply
the guidelines to a particular factual situation, the Committee may not take into account any interest that would conflict with the interest of fund shareholders in maximising the value of their investments.

The Board may review these procedures and guidelines and modify them from time to time.

5. Investors should be willing to act collectively with other investors where appropriate

VIHK will not be adopting this Principle as investors acting collectively as required by Principle 5 may present risks for Vanguard and its funds. If Vanguard “acts collectively” with respect to voting shares of a publicly traded issuer held by its funds, Vanguard and any other investor with whom it acts collectively may be required to file information with regulators disclosing their collective ownership of the issuer’s shares. In that case, the collective ownership may: (1) require Vanguard to prepare and file more onerous ownership reports with regulators, (2) subject the funds to ownership restrictions imposed by law or by certain issuers, and (3) expose the funds to litigation and regulatory actions if they fail to comply with their regulatory or issuer-imposed obligations. In addition, acting collectively with other investors raises the concern of inadvertently obtaining or sharing material non-public information, which could prevent the funds from investing in accordance with their investment objectives.

6. Investors should report to their stakeholders on how they have discharged their ownership responsibilities

Vanguard seeks to maintain a clear record of our responsible ownership activities. An annual report is published on our website regarding these activities (as provided in Principle 2). Additionally, Vanguard is a signatory to the Principles for Responsible Investment (PRI) and will make the first public report available in 2017.

7. When investing on behalf of clients, investors should have policies on managing conflicts of interests

Vanguard manages potential conflicts in our investment processes through business procedures and internal reviews, with oversight by our Board and independent third parties. Of Vanguard’s Board of Directors, all but one are independent and unaffiliated. All staff (including those with outsourcing arrangements) are obligated to identify and report potential conflicts of interest and comply with all policies outlined in Vanguard’s Global Code of Ethics. Failure by any staff member to observe any aspect of the standards of conduct outlined in the Code of Ethics could result in disciplinary action, including dismissal and referral to external authorities. For investment operations, Vanguard has adopted conflict-of-interest policies. As a fiduciary, Vanguard is required to manage our funds in the best interests of shareholders and obligated to maximise returns in order to help shareholders meet their financial goals. Trade-allocation procedures and controls ensure that no one client, regardless of type, is intentionally favored at the expense of another. These allocation policies also address potential conflicts when two or more funds or accounts participate in investment decisions involving the same securities. A separation of proxy voting and client functions and documented guidelines are intended to eliminate potential conflicts in the proxy voting process.
Important information

The contents of this document and any attachments/links contained in this document are for general information only and are not advice. The information does not take into account your specific investment objectives, financial situation and individual needs and is not designed as a substitute for professional advice. You should seek independent professional advice regarding the suitability of an investment product, taking into account your specific investment objectives, financial situation and individual needs before making an investment.

The contents of this document and any attachments/links contained in this document have been prepared in good faith. The Vanguard Group, Inc., and all of its subsidiaries and affiliates (collectively, the “Vanguard Entities”) accept no liability for any errors or omissions. Please note that the information may also have become outdated since its publication. The Vanguard Entities make no representation that such information is accurate, reliable or complete. In particular, any information sourced from third parties is not necessarily endorsed by the Vanguard Entities, and the Vanguard Entities have not checked the accuracy or completeness of such third party information.

This document contains links to materials which may have been prepared in the United States and which may have been commissioned by the Vanguard Entities. They are for your information and reference only and they may not represent our views. The materials may include incidental references to products issued by the Vanguard Entities. The information contained in this document does not constitute an offer or solicitation and may not be treated as an offer or solicitation in any jurisdiction where such an offer or solicitation is against the law, or to anyone to whom it is unlawful to make such an offer or solicitation, or if the person making the offer or solicitation is not qualified to do so. The Vanguard Entities may be unable to facilitate investment for you in any products which may be offered by The Vanguard Group, Inc. No part of this document or any attachments/links contained in this document may be reproduced in any form, or referred to in any other publication, without express written consent from the Vanguard Entities. Any attachments and any information in the links contained in this document may not be detached from this document and/or be separately made available for distribution.

This document is being made available in Hong Kong by Vanguard Investments Hong Kong Limited (CE No. : AYT820) (“Vanguard Hong Kong”). Vanguard Hong Kong is licensed with the Securities and Futures Commission to carry on Type 1 – Dealing in Securities, Type 4 – Advising on Securities, Type 6 – Advising on Corporate Finance and Type 9 – Asset Management regulated activities, as defined under the Securities and Futures Ordinance of Hong Kong (Cap. 571). The contents of this document have not been reviewed by the Securities and Futures Commission in Hong Kong.

In China, the information contained in this document does not constitute a public offer of any investment products in the People’s Republic of China (the “PRC”). No Vanguard fund is being offered or sold directly or indirectly in the PRC to the PRC public. Further, no legal or natural persons of the PRC may directly or indirectly purchase any of Vanguard funds or any beneficial interest therein without obtaining all prior governmental approvals that are required by the PRC (which includes conducting due approval or registration or filing formalities under the PRC laws), whether statutorily or otherwise. Persons who come into possession of this document are required by the issuer to observe these restrictions.

In Taiwan, Vanguard funds are not registered and may not be sold, issued or offered. No person or entity in Taiwan has been authorised to offer, sell, give advice regarding or otherwise intermediate the offering and sale of any Vanguard funds in Taiwan.