

Vanguard Russell 2000 ETF

As of March 31, 2022

Investment approach

- Seeks to track the performance of the Russell 2000 Index.
- U.S. small-cap equity diversified across growth and value styles.
- Employs a passively managed, full-replication strategy.
- The fund remains fully invested.
- Low expenses minimize net tracking error.

About the benchmark

- The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. A subset of the Russell 3000 Index, it includes approximately 2,000 of the smallest stocks based on a combination of market capitalization and current index membership.
- Represents approximately 8% of the U.S. market.

Performance history

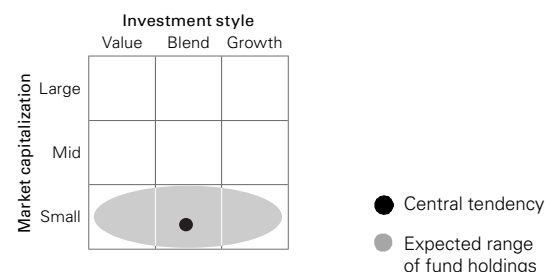
Total returns² for period ended March 31, 2022

| | | Year to | | | | | | Since |
|---|---------|---------|--------|---------|---------|----------|-----------|-------|
| | Quarter | date | 1 year | 3 years | 5 years | 10 years | inception | |
| VTWO (Inception 09/20/2010) | | | | | | | | |
| Net asset value (NAV) return ³ | -7.54% | -7.54% | -5.81% | 11.81% | 9.79% | 11.07% | 11.78% | |
| Market price return ⁴ | -7.52 | -7.52 | -5.95 | 11.82 | 9.81 | 11.07 | 11.78 | |
| Russell 2000 Index | -7.53 | -7.53 | -5.79 | 11.74 | 9.74 | 11.04 | 11.77 | |

The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Investment Products: Not FDIC Insured • No Bank Guarantee • May Lose Value

Investment focus



Quick facts

| | |
|----------------------------|--------------------|
| Benchmark | Russell 2000 Index |
| Expense ratio ¹ | 0.10% |
| Dividend schedule | Quarterly |
| ETF total net assets | \$7,087 million |
| Fund total net assets | \$7,631 million |
| Inception date | September 20, 2010 |

Trading information

| | |
|--------------------------|-----------|
| Ticker symbol | VTWO |
| CUSIP number | 92206C664 |
| IIV (intra-day ticker) | VTWO.IV |
| Index ticker (Bloomberg) | RU20INTR |
| Exchange | NASDAQ |

¹ As reported in the most recent prospectus. A fund's current expense ratio may be lower or higher than the figure reported in the prospectus.

² Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Fund performance figures assume the reinvestment of dividends and capital gains distributions; the figures are pre-tax and net of expenses. The above widely used comparative index represents unmanaged or average returns on various financial assets that can be compared with the fund's total returns for the purpose of measuring relative performance.

³ As of 4 p.m., Eastern time, when the regular trading session of the New York Stock Exchange typically closes.

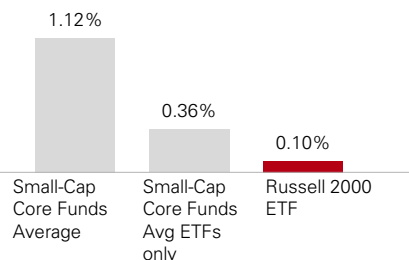
⁴ Market price returns are calculated using the midpoint between the bid and offer prices at the time NAV is calculated, typically 4 p.m., Eastern time.

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VTWO

Expense ratio comparison ¹



Ten largest holdings and % of total net assets ⁴

| | |
|-----------------------------------|------|
| Ovintiv Inc. | 0.5% |
| AMC Entertainment Holdings Inc. | 0.5 |
| Avis Budget Group Inc. | 0.4 |
| BJ's Wholesale Club Holdings Inc. | 0.3 |
| Chesapeake Energy Corp. | 0.3 |
| Tenet Healthcare Corp. | 0.3 |
| Tetra Tech Inc. | 0.3 |
| Antero Resources Corp. | 0.3 |
| Lattice Semiconductor Corp. | 0.3 |
| EastGroup Properties Inc. | 0.3 |
| Top ten as % of total net assets | 3.5% |

ETF attributes

| | Russell 2000 ETF | Russell 2000 Index |
|---------------------------------|------------------|--------------------|
| Number of stocks | 2,032 | 2,018 |
| Median market cap | \$2.9B | \$2.9B |
| Price/earnings ratio | 14.3x | 14.3x |
| Price/book ratio | 2.2x | 2.2x |
| Return on equity | 6.9% | 6.9% |
| Earnings growth rate | 15.1% | 15.1% |
| Foreign holdings | 0.4% | 0.0% |
| Turnover rate ² | 22.7% | — |
| Standard deviation ³ | 23.69% | 23.69% |

Sector Diversification ⁵

| | |
|------------------------|-------|
| Health Care | 16.1% |
| Financials | 15.9 |
| Industrials | 15.4 |
| Consumer Discretionary | 13.6 |
| Technology | 12.3 |
| Real Estate | 7.8 |
| Energy | 6.8 |
| Basic Materials | 4.0 |
| Utilities | 3.4 |
| Consumer Staples | 3.0 |
| Telecommunications | 1.7 |
| Other | 0.0 |

¹ Represents the expense ratio for the Vanguard ETF as reported in the most recent prospectus. There are material differences between mutual funds and ETFs. Unlike mutual funds, ETFs are priced continuously and bought and sold throughout the day in the secondary market (at a premium or discount to net asset value) with the assistance of a stockbroker, which entails paying commissions. Sources: Lipper, a Thomson Reuters Company, and Vanguard, December 31, 2021.

² For most recent fiscal year. Turnover rate excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including Vanguard ETF Creation Units.

³ A measure of the volatility of a fund—based on the fund's last three years of monthly returns—used to indicate the dispersion of past returns. A higher standard deviation means a greater potential for volatility. For funds with less than 36 months of performance history, standard deviation is not calculated.

⁴ The holdings listed exclude any temporary cash investments and equity index products.

⁵ Sector categories are based on the Industry Classification Benchmark system ("ICB"), except for the "Other" category (if applicable), which includes securities that have not been provided an ICB classification as of the effective reporting period.

Vanguard ETF® Shares are not redeemable with the issuing Fund other than in very large aggregations worth millions of dollars. Instead, investors must buy or sell Vanguard ETF Shares in the secondary market and hold those shares in a brokerage account. In doing so, the investor may incur brokerage commissions and may pay more than net asset value when buying and receive less than net asset value when selling.

All ETF products are subject to risk, which may result in the loss of principal. Prices of small-cap ETF products often fluctuate more than those of large-cap ETF products.

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For more information about Vanguard ETF Shares, visit vanguard.com, call 866-499-8473, or contact your broker to obtain a prospectus or, if available, a summary prospectus. Investment objectives, risks, charges, expenses, and other important information are contained in the prospectus; read and consider it carefully before investing.

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