



## Vanguard Funds

### Supplement Dated June 18, 2025, to the Prospectuses and Summary Prospectuses

Effective today, one or more portfolio managers no longer serve as co-portfolio manager(s) of each Fund listed in the table below (each, an “impacted Fund,” and collectively, the “impacted Funds”).

Accordingly, all references to the removed portfolio manager(s) listed in the table below in the impacted Funds’ Prospectuses and Summary Prospectuses are hereby deleted in their entirety.

The impacted Funds’ investment objectives, strategies, and policies remain unchanged.

#### Prospectus and Summary Prospectus Text Changes

The following table lists each impacted Fund and the corresponding portfolio manager(s) removed as co-portfolio manager(s):

Impacted Fund	Removed Portfolio Manager(s)
Vanguard 500 Index Fund	Aaron Choi
Vanguard Balanced Index Fund	Gerard O’Reilly
Vanguard Communication Services Index Fund	Walter Nejman
Vanguard Consumer Discretionary Index Fund	Nick Birkett
Vanguard Consumer Staples Index Fund	Nick Birkett
Vanguard Dividend Appreciation Index Fund	Walter Nejman
Vanguard Energy Index Fund	Nick Birkett
Vanguard ESG U.S. Stock ETF	Nick Birkett
Vanguard Financials Index Fund	Michelle Louie
Vanguard FTSE Social Index Fund	Nick Birkett
Vanguard Global Minimum Volatility Fund	John Ameriks
Vanguard Growth Index Fund	Walter Nejman
Vanguard Health Care Index Fund	Michelle Louie and Walter Nejman
Vanguard High Dividend Yield Index Fund	Nick Birkett

<b>Impacted Fund</b>	<b>Removed Portfolio Manager(s)</b>
Vanguard Industrials Index Fund	Michelle Louie and Walter Nejman
Vanguard Information Technology Index Fund	Nick Birkett and Walter Nejman
Vanguard Institutional Total Stock Market Index Fund	Gerard O'Reilly
Vanguard International High Dividend Yield Index Fund	Aaron Choi
Vanguard Large-Cap Index Fund	Michelle Louie and Walter Nejman
Vanguard Materials Index Fund	Michelle Louie
Vanguard Mega Cap Index Fund	Michelle Louie
Vanguard Mega Cap Growth Index Fund	Michelle Louie
Vanguard Mega Cap Value Index Fund	Michelle Louie
Vanguard Mid-Cap Index Fund	Aurélie Denis
Vanguard Mid-Cap Growth Index Fund	Aurélie Denis
Vanguard Mid-Cap Value Index Fund	Aurélie Denis
Vanguard Real Estate Index Fund	Walter Nejman
Vanguard Real Estate II Index Fund	Walter Nejman
Vanguard Russell 1000 Index Fund	Nick Birkett and Aurélie Denis
Vanguard Russell 1000 Growth Index Fund	Nick Birkett and Aurélie Denis
Vanguard Russell 1000 Value Index Fund	Nick Birkett and Aurélie Denis
Vanguard Russell 2000 Index Fund	Nick Birkett
Vanguard Russell 2000 Growth Index Fund	Nick Birkett
Vanguard Russell 2000 Value Index Fund	Nick Birkett
Vanguard Russell 3000 Index Fund	Nick Birkett and Walter Nejman
Vanguard S&P 500 Growth Index Fund	Michelle Louie
Vanguard S&P 500 Value Index Fund	Michelle Louie
Vanguard S&P Small-Cap 600 Index Fund	Nick Birkett
Vanguard S&P Small-Cap 600 Growth Index Fund	Nick Birkett
Vanguard S&P Small-Cap 600 Value Index Fund	Nick Birkett
Vanguard Small-Cap Growth Index Fund	Nick Birkett

<b>Impacted Fund</b>	<b>Removed Portfolio Manager(s)</b>
Vanguard Small-Cap Value Index Fund	Nick Birkett
Vanguard Tax-Managed Capital Appreciation Fund	Walter Nejman
Vanguard Tax-Managed Small-Cap Fund	Walter Nejman
Vanguard Total Stock Market Index Fund	Gerard O'Reilly
Vanguard U.S. Minimum Volatility ETF	John Ameriks
Vanguard U.S. Momentum Factor ETF	John Ameriks
Vanguard U.S. Multifactor ETF	John Ameriks
Vanguard U.S. Multifactor Fund	John Ameriks
Vanguard U.S. Quality Factor ETF	John Ameriks
Vanguard U.S. Value Factor ETF	John Ameriks
Vanguard Utilities Index Fund	Walter Nejman
Vanguard Value Index Fund	Walter Nejman
Vanguard Variable Insurance Funds — Real Estate Index Portfolio	Walter Nejman





# Vanguard U.S. Factor ETFs Prospectus

March 28, 2025

**Exchange-traded fund shares that are not individually redeemable and are listed on Cboe BZX Exchange, Inc.**

Vanguard U.S. Minimum Volatility ETF Shares (VFMV)

Vanguard U.S. Momentum Factor ETF Shares (VFMO)

Vanguard U.S. Multifactor ETF Shares (VFMF)

Vanguard U.S. Quality Factor ETF Shares (VFQY)

Vanguard U.S. Value Factor ETF Shares (VFVA)

This prospectus contains financial data for the Funds through the fiscal year ended November 30, 2024.

**The Securities and Exchange Commission (SEC) has not approved or disapproved these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

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# Vanguard U.S. Minimum Volatility ETF

## Investment Objective

The Fund seeks to provide long-term capital appreciation with lower volatility relative to the broad U.S. equity market.

## Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy, hold, and sell shares of the Fund. **You may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the tables and example below.**

### Shareholder Fees

(Fees paid directly from your investment)

Transaction Fee on Purchases and Sales	None*
Transaction Fee on Reinvested Dividends	None*

\* None through Vanguard (Broker fees vary)

### Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.06%
12b-1 Distribution Fee	None
Other Expenses	0.07%
Total Annual Fund Operating Expenses	0.13%

### Example

The following example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds. It illustrates the hypothetical expenses that you would incur over various periods if you were to invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% each year and that total annual fund operating expenses remain as stated in the preceding table. You would incur these hypothetical expenses whether or not you were to sell your shares at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$13	\$42	\$73	\$166

This example does not include the brokerage commissions that you may pay to buy and sell shares of the Fund.

## Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in more taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, reduce the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 39% of the average value of its portfolio.

## Principal Investment Strategies

The Fund invests primarily in a group of U.S. common stocks that together are deemed by the advisor to have the potential to generate lower volatility relative to the broad U.S. equity market. The Fund’s portfolio includes a diverse mix of companies representing many different market sectors and industry groups. The advisor uses a quantitative model to evaluate all of the securities in an investment universe comprised of U.S. large-, mid-, and small-capitalization stocks and to construct a U.S. equity portfolio that seeks to achieve the lowest amount of expected volatility subject to a rules-based screen designed to promote diversification and to mitigate exposure to certain less liquid stocks. Under normal circumstances, at least 80% of the Fund’s assets will be invested in securities issued by U.S. companies.

## Principal Risks

An investment in the Fund could lose money over short or long periods of time. You should expect the Fund’s share price and total return to fluctuate within a wide range. The Fund is subject to the following risks, which could affect the Fund’s performance:

- *Stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.
- *Investment style risk*, which is the chance that returns from the types of stocks in which the Fund invests will trail returns from overall U.S. stock markets. Specific types of stocks tend to go through cycles of doing better or worse than other segments of the U.S. stock market. These periods have, in the past, lasted for as long as several years.
- *Manager risk*, which is the chance that poor security selection will cause the Fund to underperform relevant benchmarks or other funds with a similar



investment objective. The Fund's advisor uses a quantitative process to evaluate securities, and the Fund can perform differently from the market as a whole as a result of the stock selection model. Although the Fund does not intend to focus on a particular sector, from time to time, the Fund's holdings may be concentrated in a particular sector in pursuit of its objective.

Because the Fund is an exchange-traded fund (ETF) and the Fund's shares are traded on an exchange, the Fund is subject to additional risks:

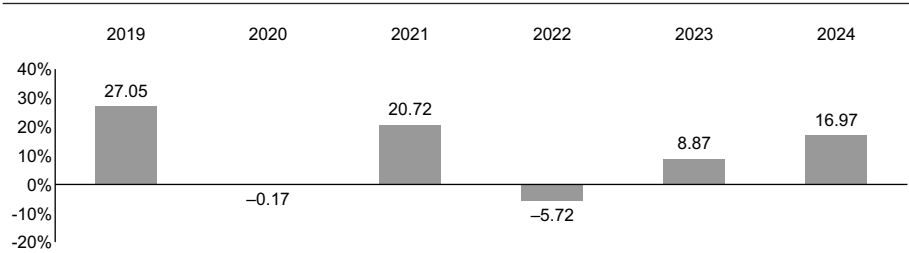
- The Fund's ETF Shares are listed for trading on Cboe BZX Exchange, Inc., and are bought and sold on the secondary market at market prices. Although it is expected that the market price of an ETF Share typically will approximate its net asset value (NAV), there may be times when the market price and the NAV differ significantly. Thus, you may pay more or less than NAV when you buy ETF Shares on the secondary market, and you may receive more or less than NAV when you sell those shares.
- Although the Fund's ETF Shares are listed for trading on Cboe BZX Exchange, Inc., it is possible that an active trading market may not be maintained.
- Trading of the Fund's ETF Shares may be halted by the activation of individual or marketwide trading halts (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). Trading of the Fund's ETF Shares may also be halted if (1) the shares are delisted from Cboe BZX Exchange, Inc., without first being listed on another exchange or (2) Cboe BZX Exchange, Inc., officials determine that such action is appropriate in the interest of a fair and orderly market or for the protection of investors.

**An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.**

Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund's ETF Shares (based on NAV) has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns of the Fund compare with those of a relevant market index, which has investment characteristics similar to those of the Fund. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available on our website at [vanguard.com/performance](http://vanguard.com/performance).

Annual Total Returns — Vanguard U.S. Minimum Volatility ETF



During the periods shown in the bar chart, the highest and lowest returns for a calendar quarter were:

	Total Return	Quarter
Highest	11.97%	March 31, 2019
Lowest	-21.73%	March 31, 2020

**Average Annual Total Returns for Periods Ended December 31, 2024**

	1 Year	5 Years	Since Fund Inception	Fund Inception Date
<b>Vanguard U.S. Minimum Volatility ETF</b>				<b>02/13/2018</b>
<i>Based on NAV</i>				
Return Before Taxes	16.97%	7.67%	9.41%	
Return After Taxes on Distributions	16.56	7.16	8.80	
Return After Taxes on Distributions and Sale of Fund Shares	10.33	5.93	7.38	
<i>Based on Market Price</i>				
Return Before Taxes	16.72	7.66	9.40	
<b>Russell 3000 Index</b>				
(reflects no deduction for fees, expenses, or taxes)	23.81%	13.86%	13.49%	

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* may be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

**Investment Advisor**

The Vanguard Group, Inc. (Vanguard)

**Portfolio Managers**

John Ameriks, Ph.D., Principal of Vanguard and global head of Vanguard's Quantitative Equity Group. He has managed the Fund since 2022 (co-managed since 2023).

Scott Rodemer, CFA, Head of Equity Factor Investments within Vanguard's Quantitative Equity Group and Portfolio Manager. He has co-managed the Fund since 2023.

## **Purchase and Sale of Fund Shares**

ETF Shares may only be bought and sold in the secondary market through a brokerage firm. The price you pay or receive for ETF Shares will be the prevailing market price, which may be more (premium) or less (discount) than the NAV of the shares. The brokerage firm may charge you a commission to execute the transaction. Unless imposed by your brokerage firm, there is no minimum dollar amount you must invest and no minimum number of shares you must buy. ETF Shares of the Fund cannot be directly purchased from or redeemed with the Fund, except by certain authorized broker-dealers. These broker-dealers may purchase and redeem ETF Shares only in large blocks (Creation Units), typically in exchange for baskets of securities.

An investor may incur costs attributable to the difference between the highest price a buyer is willing to pay to purchase ETF Shares (bid) and the lowest price a seller is willing to accept for ETF Shares (ask) when buying or selling shares in the secondary market (bid-ask spread). Recent information, including information on the Fund's NAV, market price, premiums and discounts, and bid-ask spreads, is available online at *vanguard.com*.

## **Tax Information**

The Fund's distributions may be taxable as ordinary income or capital gains. If you are investing through a tax-advantaged account, such as an IRA or an employer-sponsored retirement or savings plan, special tax rules apply. You should consult your own tax advisor with respect to any particular U.S. or non-U.S. tax consequences of your investment in the Fund.

## **Payments to Financial Intermediaries**

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares.

# Vanguard U.S. Momentum Factor ETF

## Investment Objective

The Fund seeks to provide long-term capital appreciation by investing in stocks with strong recent performance as determined by the advisor.

## Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy, hold, and sell shares of the Fund. **You may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the tables and example below.**

### Shareholder Fees

(Fees paid directly from your investment)

Transaction Fee on Purchases and Sales	None*
Transaction Fee on Reinvested Dividends	None*

\* None through Vanguard (Broker fees vary)

### Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.11%
12b-1 Distribution Fee	None
Other Expenses	0.02%
Total Annual Fund Operating Expenses	0.13%

### Example

The following example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds. It illustrates the hypothetical expenses that you would incur over various periods if you were to invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% each year and that total annual fund operating expenses remain as stated in the preceding table. You would incur these hypothetical expenses whether or not you were to sell your shares at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$13	\$42	\$73	\$166

This example does not include the brokerage commissions that you may pay to buy and sell shares of the Fund.

### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in more taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, reduce the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 77% of the average value of its portfolio.

### Principal Investment Strategies

The Fund invests primarily in U.S. common stocks with the potential to generate higher returns relative to the broad U.S. equity market by investing in stocks with strong recent performance as determined by the advisor. The Fund’s portfolio includes a diverse mix of companies representing many different market sectors and industry groups. The advisor uses a quantitative model to evaluate all of the securities in an investment universe comprised of U.S. large-, mid-, and small-capitalization stocks and to construct a U.S. equity portfolio that seeks to achieve exposure to securities with relatively strong recent performance subject to a rules-based screen designed to promote diversification and to mitigate exposure to certain less liquid stocks. Securities with relatively strong recent past performance may be identified by measures such as performance over different time periods. Under normal circumstances, at least 80% of the Fund’s assets will be invested in securities issued by U.S. companies.

### Principal Risks

An investment in the Fund could lose money over short or long periods of time. You should expect the Fund’s share price and total return to fluctuate within a wide range. The Fund is subject to the following risks, which could affect the Fund’s performance:

- *Stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.
- *Investment style risk*, which is the chance that returns from the types of stocks in which the Fund invests will trail returns from overall U.S. stock markets. Specific types of stocks tend to go through cycles of doing better or worse than other segments of the U.S. stock market. These periods have, in the past, lasted for as long as several years.

- *Manager risk*, which is the chance that poor security selection will cause the Fund to underperform relevant benchmarks or other funds with a similar investment objective. The Fund's advisor uses a quantitative process to evaluate securities, and the Fund can perform differently from the market as a whole as a result of the stock selection model. Although the Fund does not intend to focus on a particular sector, from time to time, the Fund's holdings may be concentrated in a particular sector in pursuit of its objective.

Because the Fund is an exchange-traded fund (ETF) and the Fund's shares are traded on an exchange, the Fund is subject to additional risks:

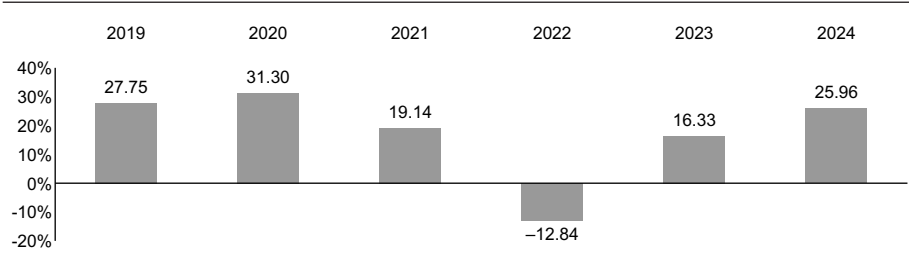
- The Fund's ETF Shares are listed for trading on Cboe BZX Exchange, Inc., and are bought and sold on the secondary market at market prices. Although it is expected that the market price of an ETF Share typically will approximate its net asset value (NAV), there may be times when the market price and the NAV differ significantly. Thus, you may pay more or less than NAV when you buy ETF Shares on the secondary market, and you may receive more or less than NAV when you sell those shares.
- Although the Fund's ETF Shares are listed for trading on Cboe BZX Exchange, Inc., it is possible that an active trading market may not be maintained.
- Trading of the Fund's ETF Shares may be halted by the activation of individual or marketwide trading halts (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). Trading of the Fund's ETF Shares may also be halted if (1) the shares are delisted from Cboe BZX Exchange, Inc., without first being listed on another exchange or (2) Cboe BZX Exchange, Inc., officials determine that such action is appropriate in the interest of a fair and orderly market or for the protection of investors.

**An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.**

## **Annual Total Returns**

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund's ETF Shares (based on NAV) has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns of the Fund compare with those of a relevant market index, which has investment characteristics similar to those of the Fund. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available on our website at [vanguard.com/performance](http://vanguard.com/performance).

Annual Total Returns — Vanguard U.S. Momentum Factor ETF



During the periods shown in the bar chart, the highest and lowest returns for a calendar quarter were:

	Total Return	Quarter
Highest	27.15%	June 30, 2020
Lowest	-21.44%	March 31, 2020

Average Annual Total Returns for Periods Ended December 31, 2024

	1 Year	5 Years	Since Fund Inception	Fund Inception Date
Vanguard U.S. Momentum Factor ETF				02/13/2018
Based on NAV				
Return Before Taxes	25.96%	14.85%	13.17%	
Return After Taxes on Distributions	25.73	14.58	12.89	
Return After Taxes on Distributions and Sale of Fund Shares	15.52	11.91	10.69	
Based on Market Price				
Return Before Taxes	26.08	14.88	13.19	
Russell 3000 Index				
(reflects no deduction for fees, expenses, or taxes)	23.81%	13.86%	13.49%	

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes*



*on Distributions and Sale of Fund Shares* may be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

## **Investment Advisor**

The Vanguard Group, Inc. (Vanguard)

## **Portfolio Managers**

John Ameriks, Ph.D., Principal of Vanguard and global head of Vanguard's Quantitative Equity Group. He has managed the Fund since 2022 (co-managed since 2023).

Scott Rodemer, CFA, Head of Equity Factor Investments within Vanguard's Quantitative Equity Group and Portfolio Manager. He has co-managed the Fund since 2023.

## **Purchase and Sale of Fund Shares**

ETF Shares may only be bought and sold in the secondary market through a brokerage firm. The price you pay or receive for ETF Shares will be the prevailing market price, which may be more (premium) or less (discount) than the NAV of the shares. The brokerage firm may charge you a commission to execute the transaction. Unless imposed by your brokerage firm, there is no minimum dollar amount you must invest and no minimum number of shares you must buy. ETF Shares of the Fund cannot be directly purchased from or redeemed with the Fund, except by certain authorized broker-dealers. These broker-dealers may purchase and redeem ETF Shares only in large blocks (Creation Units), typically in exchange for baskets of securities.

An investor may incur costs attributable to the difference between the highest price a buyer is willing to pay to purchase ETF Shares (bid) and the lowest price a seller is willing to accept for ETF Shares (ask) when buying or selling shares in the secondary market (bid-ask spread). Recent information, including information on the Fund's NAV, market price, premiums and discounts, and bid-ask spreads, is available online at [vanguard.com](https://www.vanguard.com).

## **Tax Information**

The Fund's distributions may be taxable as ordinary income or capital gains. If you are investing through a tax-advantaged account, such as an IRA or an employer-sponsored retirement or savings plan, special tax rules apply. You should consult your own tax advisor with respect to any particular U.S. or non-U.S. tax consequences of your investment in the Fund.

**Payments to Financial Intermediaries**

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares.

# Vanguard U.S. Multifactor ETF

## Investment Objective

The Fund seeks to provide long-term capital appreciation by investing in stocks with relatively strong recent performance, strong fundamentals, and low prices relative to fundamentals as determined by the advisor.

## Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy, hold, and sell shares of the Fund. **You may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the tables and example below.**

### Shareholder Fees

(Fees paid directly from your investment)

Transaction Fee on Purchases and Sales	None*
Transaction Fee on Reinvested Dividends	None*

\* None through Vanguard (Broker fees vary)

### Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.14%
12b-1 Distribution Fee	None
Other Expenses	0.04%
Total Annual Fund Operating Expenses	0.18%

### Example

The following example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds. It illustrates the hypothetical expenses that you would incur over various periods if you were to invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% each year and that total annual fund operating expenses remain as stated in the preceding table. You would incur these hypothetical expenses whether or not you were to sell your shares at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$18	\$58	\$101	\$230

This example does not include the brokerage commissions that you may pay to buy and sell shares of the Fund.

## Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in more taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, reduce the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 50% of the average value of its portfolio.

## Principal Investment Strategies

The Fund invests primarily in U.S. common stocks with the potential to generate higher returns relative to the broad U.S. equity market by investing in stocks with relatively strong recent performance, strong fundamentals, and low prices relative to fundamentals as determined by the advisor. The Fund’s portfolio includes a diverse mix of companies representing many different market sectors and industry groups. The advisor uses a quantitative model to evaluate all of the securities in an investment universe comprised of U.S. large-, mid-, and small-capitalization stocks and to construct a U.S. equity portfolio that seeks to achieve exposure to multiple factors subject to a rules-based screen designed to promote diversification and to mitigate exposure to certain less liquid and more volatile stocks. Under normal circumstances, at least 80% of the Fund’s assets will be invested in securities issued by U.S. companies.

## Principal Risks

An investment in the Fund could lose money over short or long periods of time. You should expect the Fund’s share price and total return to fluctuate within a wide range. The Fund is subject to the following risks, which could affect the Fund’s performance:

- *Stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.
- *Investment style risk*, which is the chance that returns from the types of stocks in which the Fund invests will trail returns from overall U.S. stock markets. Specific types of stocks tend to go through cycles of doing better or worse than other segments of the U.S. stock market. These periods have, in the past, lasted for as long as several years.

- *Manager risk*, which is the chance that poor security selection will cause the Fund to underperform relevant benchmarks or other funds with a similar investment objective. The Fund's advisor uses a quantitative process to evaluate securities, and the Fund can perform differently from the market as a whole as a result of the stock selection model. Although the Fund does not intend to focus on a particular sector, from time to time, the Fund's holdings may be concentrated in a particular sector in pursuit of its objective.
- *Management of certain similar funds risk*. The name, investment objective, principal investment strategies, and risks of the Fund are similar to another separate fund managed by the Fund's portfolio managers. However, the investment results of the Fund may be higher or lower than, and there is no guarantee that the investment results of the Fund will be comparable to, that of other fund.

Because the Fund is an exchange-traded fund (ETF) and the Fund's shares are traded on an exchange, the Fund is subject to additional risks:

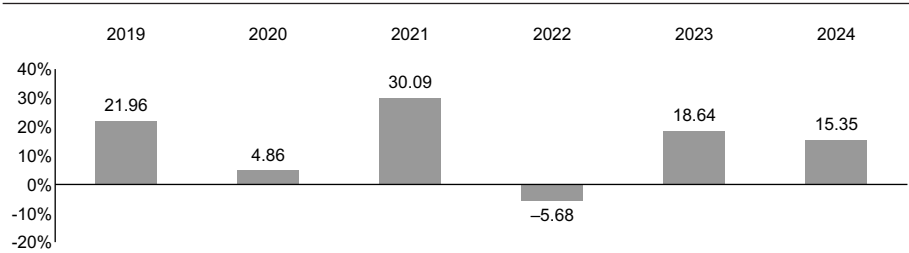
- The Fund's ETF Shares are listed for trading on Cboe BZX Exchange, Inc., and are bought and sold on the secondary market at market prices. Although it is expected that the market price of an ETF Share typically will approximate its net asset value (NAV), there may be times when the market price and the NAV differ significantly. Thus, you may pay more or less than NAV when you buy ETF Shares on the secondary market, and you may receive more or less than NAV when you sell those shares.
- Although the Fund's ETF Shares are listed for trading on Cboe BZX Exchange, Inc., it is possible that an active trading market may not be maintained.
- Trading of the Fund's ETF Shares may be halted by the activation of individual or marketwide trading halts (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). Trading of the Fund's ETF Shares may also be halted if (1) the shares are delisted from Cboe BZX Exchange, Inc., without first being listed on another exchange or (2) Cboe BZX Exchange, Inc., officials determine that such action is appropriate in the interest of a fair and orderly market or for the protection of investors.

**An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.**

Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund's ETF Shares (based on NAV) has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns of the Fund compare with those of a relevant market index, which has investment characteristics similar to those of the Fund. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available on our website at [vanguard.com/performance](http://vanguard.com/performance).

Annual Total Returns — Vanguard U.S. Multifactor ETF



During the periods shown in the bar chart, the highest and lowest returns for a calendar quarter were:

	Total Return	Quarter
Highest	20.04%	June 30, 2020
Lowest	-29.97%	March 31, 2020

## Average Annual Total Returns for Periods Ended December 31, 2024

	1 Year	5 Years	Since Fund Inception	Fund Inception Date
<b>Vanguard U.S. Multifactor ETF</b>				<b>02/13/2018</b>
<i>Based on NAV</i>				
Return Before Taxes	15.35%	11.98%	10.30%	
Return After Taxes on Distributions	14.90	11.48	9.84	
Return After Taxes on Distributions and Sale of Fund Shares	9.39	9.46	8.20	
<i>Based on Market Price</i>				
Return Before Taxes	15.56	12.02	10.32	
<b>Russell 3000 Index</b>				
(reflects no deduction for fees, expenses, or taxes)	23.81%	13.86%	13.49%	

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* may be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

### Investment Advisor

The Vanguard Group, Inc. (Vanguard)

### Portfolio Managers

John Ameriks, Ph.D., Principal of Vanguard and global head of Vanguard's Quantitative Equity Group. He has managed the Fund since 2022 (co-managed since 2023).

Scott Rodemer, CFA, Head of Equity Factor Investments within Vanguard's Quantitative Equity Group and Portfolio Manager. He has co-managed the Fund since 2023.

## **Purchase and Sale of Fund Shares**

ETF Shares may only be bought and sold in the secondary market through a brokerage firm. The price you pay or receive for ETF Shares will be the prevailing market price, which may be more (premium) or less (discount) than the NAV of the shares. The brokerage firm may charge you a commission to execute the transaction. Unless imposed by your brokerage firm, there is no minimum dollar amount you must invest and no minimum number of shares you must buy. ETF Shares of the Fund cannot be directly purchased from or redeemed with the Fund, except by certain authorized broker-dealers. These broker-dealers may purchase and redeem ETF Shares only in large blocks (Creation Units), typically in exchange for baskets of securities.

An investor may incur costs attributable to the difference between the highest price a buyer is willing to pay to purchase ETF Shares (bid) and the lowest price a seller is willing to accept for ETF Shares (ask) when buying or selling shares in the secondary market (bid-ask spread). Recent information, including information on the Fund's NAV, market price, premiums and discounts, and bid-ask spreads, is available online at *vanguard.com*.

## **Tax Information**

The Fund's distributions may be taxable as ordinary income or capital gains. If you are investing through a tax-advantaged account, such as an IRA or an employer-sponsored retirement or savings plan, special tax rules apply. You should consult your own tax advisor with respect to any particular U.S. or non-U.S. tax consequences of your investment in the Fund.

## **Payments to Financial Intermediaries**

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares.



# Vanguard U.S. Quality Factor ETF

## Investment Objective

The Fund seeks to provide long-term capital appreciation by investing in stocks with strong fundamentals as determined by the advisor.

## Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy, hold, and sell shares of the Fund. **You may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the tables and example below.**

### Shareholder Fees

(Fees paid directly from your investment)

Transaction Fee on Purchases and Sales	None*
Transaction Fee on Reinvested Dividends	None*

\* None through Vanguard (Broker fees vary)

### Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.10%
12b-1 Distribution Fee	None
Other Expenses	0.03%
Total Annual Fund Operating Expenses	0.13%

### Example

The following example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds. It illustrates the hypothetical expenses that you would incur over various periods if you were to invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% each year and that total annual fund operating expenses remain as stated in the preceding table. You would incur these hypothetical expenses whether or not you were to sell your shares at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$13	\$42	\$73	\$166

This example does not include the brokerage commissions that you may pay to buy and sell shares of the Fund.

## Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in more taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, reduce the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 44% of the average value of its portfolio.

## Principal Investment Strategies

The Fund invests primarily in U.S. common stocks with the potential to generate higher returns relative to the broad U.S. equity market by investing in stocks with strong fundamentals as determined by the advisor. The Fund’s portfolio includes a diverse mix of companies representing many different market sectors and industry groups. The advisor uses a quantitative model to evaluate all of the securities in an investment universe comprised of U.S. large-, mid-, and small-capitalization stocks and to construct a U.S. equity portfolio that seeks to achieve exposure to securities with strong fundamentals subject to a rules-based screen designed to promote diversification and to mitigate exposure to certain less liquid stocks. Securities with relatively strong fundamentals may be identified by measures such as strong profitability, sustainable earnings, and healthy balance sheets. Under normal circumstances, at least 80% of the Fund’s assets will be invested in securities issued by U.S. companies.

## Principal Risks

An investment in the Fund could lose money over short or long periods of time. You should expect the Fund’s share price and total return to fluctuate within a wide range. The Fund is subject to the following risks, which could affect the Fund’s performance:

- *Stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.
- *Investment style risk*, which is the chance that returns from the types of stocks in which the Fund invests will trail returns from overall U.S. stock markets. Specific types of stocks tend to go through cycles of doing better or worse than other segments of the U.S. stock market. These periods have, in the past, lasted for as long as several years.

- *Manager risk*, which is the chance that poor security selection will cause the Fund to underperform relevant benchmarks or other funds with a similar investment objective. The Fund's advisor uses a quantitative process to evaluate securities, and the Fund can perform differently from the market as a whole as a result of the stock selection model. Although the Fund does not intend to focus on a particular sector, from time to time, the Fund's holdings may be concentrated in a particular sector in pursuit of its objective.

Because the Fund is an exchange-traded fund (ETF) and the Fund's shares are traded on an exchange, the Fund is subject to additional risks:

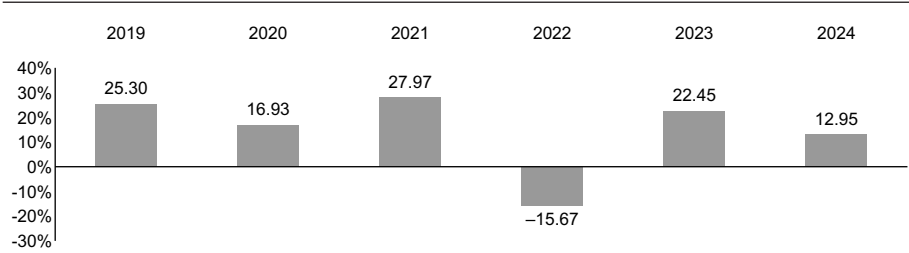
- The Fund's ETF Shares are listed for trading on Cboe BZX Exchange, Inc., and are bought and sold on the secondary market at market prices. Although it is expected that the market price of an ETF Share typically will approximate its net asset value (NAV), there may be times when the market price and the NAV differ significantly. Thus, you may pay more or less than NAV when you buy ETF Shares on the secondary market, and you may receive more or less than NAV when you sell those shares.
- Although the Fund's ETF Shares are listed for trading on Cboe BZX Exchange, Inc., it is possible that an active trading market may not be maintained.
- Trading of the Fund's ETF Shares may be halted by the activation of individual or marketwide trading halts (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). Trading of the Fund's ETF Shares may also be halted if (1) the shares are delisted from Cboe BZX Exchange, Inc., without first being listed on another exchange or (2) Cboe BZX Exchange, Inc., officials determine that such action is appropriate in the interest of a fair and orderly market or for the protection of investors.

**An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.**

## **Annual Total Returns**

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund's ETF Shares (based on NAV) has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns of the Fund compare with those of a relevant market index, which has investment characteristics similar to those of the Fund. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available on our website at [vanguard.com/performance](http://vanguard.com/performance).

Annual Total Returns — Vanguard U.S. Quality Factor ETF



During the periods shown in the bar chart, the highest and lowest returns for a calendar quarter were:

	Total Return	Quarter
Highest	23.86%	June 30, 2020
Lowest	-26.18%	March 31, 2020

Average Annual Total Returns for Periods Ended December 31, 2024

	1 Year	5 Years	Since Fund Inception	Fund Inception Date
Vanguard U.S. Quality Factor ETF				02/13/2018
Based on NAV				
Return Before Taxes	12.95%	11.78%	11.13%	
Return After Taxes on Distributions	12.59	11.42	10.77	
Return After Taxes on Distributions and Sale of Fund Shares	7.92	9.34	8.94	
Based on Market Price				
Return Before Taxes	12.86	11.78	11.13	
Russell 3000 Index				
(reflects no deduction for fees, expenses, or taxes)	23.81%	13.86%	13.49%	

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes*

*on Distributions and Sale of Fund Shares* may be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

## **Investment Advisor**

The Vanguard Group, Inc. (Vanguard)

## **Portfolio Managers**

John Ameriks, Ph.D., Principal of Vanguard and global head of Vanguard's Quantitative Equity Group. He has managed the Fund since 2022 (co-managed since 2023).

Scott Rodemer, CFA, Head of Equity Factor Investments within Vanguard's Quantitative Equity Group and Portfolio Manager. He has co-managed the Fund since 2023.

## **Purchase and Sale of Fund Shares**

ETF Shares may only be bought and sold in the secondary market through a brokerage firm. The price you pay or receive for ETF Shares will be the prevailing market price, which may be more (premium) or less (discount) than the NAV of the shares. The brokerage firm may charge you a commission to execute the transaction. Unless imposed by your brokerage firm, there is no minimum dollar amount you must invest and no minimum number of shares you must buy. ETF Shares of the Fund cannot be directly purchased from or redeemed with the Fund, except by certain authorized broker-dealers. These broker-dealers may purchase and redeem ETF Shares only in large blocks (Creation Units), typically in exchange for baskets of securities.

An investor may incur costs attributable to the difference between the highest price a buyer is willing to pay to purchase ETF Shares (bid) and the lowest price a seller is willing to accept for ETF Shares (ask) when buying or selling shares in the secondary market (bid-ask spread). Recent information, including information on the Fund's NAV, market price, premiums and discounts, and bid-ask spreads, is available online at *vanguard.com*.

## **Tax Information**

The Fund's distributions may be taxable as ordinary income or capital gains. If you are investing through a tax-advantaged account, such as an IRA or an employer-sponsored retirement or savings plan, special tax rules apply. You should consult your own tax advisor with respect to any particular U.S. or non-U.S. tax consequences of your investment in the Fund.

**Payments to Financial Intermediaries**

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares.

# Vanguard U.S. Value Factor ETF

## Investment Objective

The Fund seeks to provide long-term capital appreciation by investing in stocks with relatively lower share prices relative to fundamental values as determined by the advisor.

## Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy, hold, and sell shares of the Fund. **You may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the tables and example below.**

### Shareholder Fees

(Fees paid directly from your investment)

Transaction Fee on Purchases and Sales	None*
Transaction Fee on Reinvested Dividends	None*

\* None through Vanguard (Broker fees vary)

### Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.11%
12b-1 Distribution Fee	None
Other Expenses	0.02%
Total Annual Fund Operating Expenses	0.13%

### Example

The following example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds. It illustrates the hypothetical expenses that you would incur over various periods if you were to invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% each year and that total annual fund operating expenses remain as stated in the preceding table. You would incur these hypothetical expenses whether or not you were to sell your shares at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$13	\$42	\$73	\$166

This example does not include the brokerage commissions that you may pay to buy and sell shares of the Fund.

### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in more taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, reduce the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 39% of the average value of its portfolio.

### Principal Investment Strategies

The Fund invests primarily in U.S. common stocks with the potential to generate higher returns relative to the broad U.S. equity market by investing in stocks with relatively lower share prices relative to fundamental values as determined by the advisor. The Fund’s portfolio includes a diverse mix of companies representing many different market sectors and industry groups. The advisor uses a quantitative model to evaluate all of the securities in an investment universe comprised of U.S. large-, mid-, and small-capitalization stocks and to construct a U.S. equity portfolio that seeks to achieve exposure to securities with lower prices relative to fundamental measures of value subject to a rules-based screen designed to promote diversification and to mitigate exposure to certain less liquid stocks. Securities with lower prices relative to fundamental value may be identified by measures such as book to price and earnings to price ratios. Under normal circumstances, at least 80% of the Fund’s assets will be invested in securities issued by U.S. companies.

### Principal Risks

An investment in the Fund could lose money over short or long periods of time. You should expect the Fund’s share price and total return to fluctuate within a wide range. The Fund is subject to the following risks, which could affect the Fund’s performance:

- *Stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.
- *Investment style risk*, which is the chance that returns from the types of stocks in which the Fund invests will trail returns from overall U.S. stock markets. Specific types of stocks tend to go through cycles of doing better or worse than



other segments of the U.S. stock market. These periods have, in the past, lasted for as long as several years.

- *Manager risk*, which is the chance that poor security selection will cause the Fund to underperform relevant benchmarks or other funds with a similar investment objective. The Fund's advisor uses a quantitative process to evaluate securities, and the Fund can perform differently from the market as a whole as a result of the stock selection model. Although the Fund does not intend to focus on a particular sector, from time to time, the Fund's holdings may be concentrated in a particular sector in pursuit of its objective.

Because the Fund is an exchange-traded fund (ETF) and the Fund's shares are traded on an exchange, the Fund is subject to additional risks:

- The Fund's ETF Shares are listed for trading on Cboe BZX Exchange, Inc., and are bought and sold on the secondary market at market prices. Although it is expected that the market price of an ETF Share typically will approximate its net asset value (NAV), there may be times when the market price and the NAV differ significantly. Thus, you may pay more or less than NAV when you buy ETF Shares on the secondary market, and you may receive more or less than NAV when you sell those shares.
- Although the Fund's ETF Shares are listed for trading on Cboe BZX Exchange, Inc., it is possible that an active trading market may not be maintained.
- Trading of the Fund's ETF Shares may be halted by the activation of individual or marketwide trading halts (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). Trading of the Fund's ETF Shares may also be halted if (1) the shares are delisted from Cboe BZX Exchange, Inc., without first being listed on another exchange or (2) Cboe BZX Exchange, Inc., officials determine that such action is appropriate in the interest of a fair and orderly market or for the protection of investors.

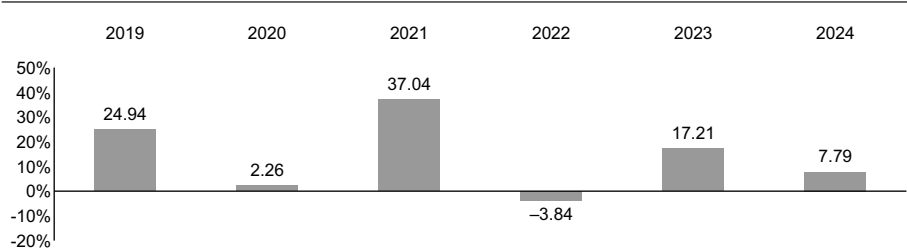
**An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.**

### **Annual Total Returns**

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund's ETF Shares (based on NAV) has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns of the Fund compare with those of a relevant market index, which has investment characteristics similar to those of the Fund. Keep in mind that the Fund's past

performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available on our website at [vanguard.com/performance](http://vanguard.com/performance).

Annual Total Returns — Vanguard U.S. Value Factor ETF



During the periods shown in the bar chart, the highest and lowest returns for a calendar quarter were:

	Total Return	Quarter
Highest	27.38%	December 31, 2020
Lowest	-39.19%	March 31, 2020

Average Annual Total Returns for Periods Ended December 31, 2024

	1 Year	5 Years	Since Fund Inception	Fund Inception Date
<b>Vanguard U.S. Value Factor ETF</b>				<b>02/13/2018</b>
<i>Based on NAV</i>				
Return Before Taxes	7.79%	11.23%	9.32%	
Return After Taxes on Distributions	7.17	10.60	8.73	
Return After Taxes on Distributions and Sale of Fund Shares	5.03	8.82	7.35	
<i>Based on Market Price</i>				
Return Before Taxes	7.65	11.21	9.31	
<b>Russell 3000 Index</b>				
(reflects no deduction for fees, expenses, or taxes)	23.81%	13.86%	13.49%	

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder

who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* may be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

### **Investment Advisor**

The Vanguard Group, Inc. (Vanguard)

### **Portfolio Managers**

John Ameriks, Ph.D., Principal of Vanguard and global head of Vanguard's Quantitative Equity Group. He has managed the Fund since 2022 (co-managed since 2023).

Scott Rodemer, CFA, Head of Equity Factor Investments within Vanguard's Quantitative Equity Group and Portfolio Manager. He has co-managed the Fund since 2023.

### **Purchase and Sale of Fund Shares**

ETF Shares may only be bought and sold in the secondary market through a brokerage firm. The price you pay or receive for ETF Shares will be the prevailing market price, which may be more (premium) or less (discount) than the NAV of the shares. The brokerage firm may charge you a commission to execute the transaction. Unless imposed by your brokerage firm, there is no minimum dollar amount you must invest and no minimum number of shares you must buy. ETF Shares of the Fund cannot be directly purchased from or redeemed with the Fund, except by certain authorized broker-dealers. These broker-dealers may purchase and redeem ETF Shares only in large blocks (Creation Units), typically in exchange for baskets of securities.

An investor may incur costs attributable to the difference between the highest price a buyer is willing to pay to purchase ETF Shares (bid) and the lowest price a seller is willing to accept for ETF Shares (ask) when buying or selling shares in the secondary market (bid-ask spread). Recent information, including information on the Fund's NAV, market price, premiums and discounts, and bid-ask spreads, is available online at [vanguard.com](https://www.vanguard.com).

**Tax Information**

The Fund's distributions may be taxable as ordinary income or capital gains. If you are investing through a tax-advantaged account, such as an IRA or an employer-sponsored retirement or savings plan, special tax rules apply. You should consult your own tax advisor with respect to any particular U.S. or non-U.S. tax consequences of your investment in the Fund.

**Payments to Financial Intermediaries**

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares.

# Investing in Vanguard ETF® Shares

## What Are Vanguard ETF Shares?

Vanguard ETF Shares are an exchange-traded class of shares issued by certain Vanguard funds. ETF Shares represent an interest in the portfolio of stocks or bonds held by the issuing fund. The following ETF Shares are offered through this prospectus:

### Vanguard ETF Shares

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Vanguard U.S. Minimum Volatility ETF

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Vanguard U.S. Momentum Factor ETF

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Vanguard U.S. Multifactor ETF

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Vanguard U.S. Quality Factor ETF

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Vanguard U.S. Value Factor ETF

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## How Are Vanguard ETF Shares Different From Conventional Mutual Fund Shares?

Conventional mutual fund shares can be directly purchased from and redeemed with the issuing fund for cash at the net asset value (NAV), typically calculated once a day. ETF Shares, by contrast, cannot be purchased directly from or redeemed directly with the issuing fund by an individual investor. Rather, ETF Shares can only be purchased or redeemed directly from the issuing fund by certain authorized broker-dealers. These broker-dealers may purchase and redeem ETF Shares only in large blocks (Creation Units), usually in exchange for baskets of securities and not for cash (although some funds issue and redeem Creation Units in exchange for cash or a combination of cash and securities). Vanguard U.S. Minimum Volatility ETF, Vanguard U.S. Momentum Factor ETF, Vanguard U.S. Multifactor ETF, Vanguard U.S. Quality Factor ETF, and Vanguard U.S. Value Factor ETF may issue and redeem creation units primarily in exchange for cash.

An organized secondary trading market is expected to exist for ETF Shares, unlike conventional mutual fund shares, because ETF Shares are listed for trading on a national securities exchange. Individual investors can purchase and sell ETF Shares on the secondary market through a broker. Secondary-market transactions occur not at NAV, but at market prices that are subject to change throughout the day based on the supply of and demand for ETF Shares, changes in the prices of the fund's portfolio holdings, and other factors.


The market price of ETF Shares typically will differ somewhat from the NAV of those shares. The difference between market price and NAV is expected to be small most of the time, but in times of market disruption or extreme market volatility, the difference may become significant.

## **How Do I Buy and Sell Vanguard ETF Shares?**

ETF Shares of the Funds are listed for trading on Cboe BZX Exchange, Inc. You can buy and sell ETF Shares on the secondary market in the same way you buy and sell any other exchange-traded security—through a broker. Your broker may charge a commission to execute a transaction. You will also incur the cost of the “bid-ask spread,” which is the difference between the highest price a buyer is willing to pay to purchase ETF Shares (bid) and the lowest price a seller is willing to accept for ETF Shares (ask) when buying or selling shares in the secondary market. Because secondary-market transactions occur at market prices, you may pay more (premium) or less (discount) than NAV when you buy ETF Shares and receive more or less than NAV when you sell those shares. In times of severe market disruption, the bid-ask spread and premiums/discounts can increase significantly. Unless imposed by your broker, there is no minimum dollar amount you must invest and no minimum number of ETF Shares you must buy.

Your ownership of ETF Shares will be shown on the records of the broker through which you hold the shares. Vanguard will not have any record of your ownership. Your account information will be maintained by your broker, which will provide you with account statements, confirmations of your purchases and sales of ETF Shares, and tax information. Your broker also will be responsible for ensuring that you receive income and capital gains distributions, as well as shareholder reports and other communications from the fund whose ETF Shares you own. You will receive other services (e.g., dividend reinvestment and average cost information) only if your broker offers these services.

## More on the Funds and ETF Shares

This prospectus describes the principal risks you would face as a Fund shareholder. It is important to keep in mind one of the main principles of investing: generally, the higher the risk of losing money, the higher the potential reward. The reverse, also, is generally true: the lower the risk, the lower the potential reward. As you consider an investment in any fund, you should take into account your personal tolerance for fluctuations in the securities markets. Throughout the prospectus, this  symbol is used to mark detailed information about some of the risks that you would confront as a Fund shareholder. To highlight terms and concepts important to fund investors, we have provided Plain Talk<sup>®</sup> explanations along the way. Reading the prospectus will help you decide whether a Fund is the right investment for you. We suggest that you keep this prospectus for future reference.

### A Similar But Distinct Vanguard Fund

Vanguard U.S. Multifactor ETF is not an ETF share class of Vanguard U.S. Multifactor Fund and should not be confused with Vanguard U.S. Multifactor Fund, a separate Vanguard fund that shares a similar investment strategy. Differences in scale and in underlying holdings are expected to produce slightly different investment returns by the funds. To obtain a prospectus for Vanguard U.S. Multifactor Fund, please call 800-662-7447.

### A Note to Investors

Vanguard ETF Shares can be purchased directly from the issuing Fund only by certain authorized broker-dealers in exchange for a basket of securities (or, in some cases, for cash or a combination of cash and securities). Individual investors generally will not be able to purchase ETF Shares directly from a Fund. Instead, these investors will purchase ETF Shares on the secondary market through a broker.

#### Plain Talk About Costs of Investing

Costs are an important consideration in choosing an ETF. That is because you, as a shareholder, pay a proportionate share of the costs of operating a fund and any transaction costs incurred when the fund buys or sells securities. These costs can erode a substantial portion of the gross income or the capital appreciation a fund achieves. Even seemingly small differences in expenses can, over time, have a dramatic effect on a fund's performance.

The following sections explain the principal investment strategies and policies that each Fund uses in pursuit of its investment objective. The Funds' board of trustees, which oversees each Fund's management, may change investment strategies or policies in the interest of shareholders without a shareholder vote,

unless those strategies or policies are designated as fundamental. Note that each Fund's investment objective is not fundamental and may be changed without a shareholder vote. Each Fund's policy of investing at least 80% of its assets in securities issued by U.S. companies may be changed only upon 60 days' notice to shareholders.

## Market Exposure

In pursuit of each Fund's investment objective, each Fund will primarily invest in U.S. stocks.



*Each Fund is subject to stock market risk, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.*



*Each Fund is subject to sector risk, which is the chance that significant problems will affect a particular sector, or that returns from that sector will trail returns from the overall stock market. Daily fluctuations in specific market sectors are often more extreme or volatile than fluctuations in the overall market. Although each Fund does not intend to focus on a particular sector, from time to time, a Fund's holdings may be concentrated in a particular sector in pursuit of a Fund's objective.*



*Each Fund is subject to investment style risk, which is the chance that returns from the types of stocks in which the Fund invests will trail returns from the overall stock market. Specific types of stocks tend to go through cycles of doing better or worse than other segments of the stock market or the stock market in general. These periods have, in the past, lasted for as long as several years.*

Market disruptions can adversely affect local and global markets as well as normal market conditions and operations. Any such disruptions could have an adverse impact on the value of a Fund's investments and Fund performance.

## Security Selection

To achieve each Fund's investment objective, Vanguard, advisor to each Fund, constructs a diversified portfolio of U.S. stocks. Each Fund's portfolio typically includes securities of issuers that are organized under the laws of the United States, that maintain their principal place of business in the United States, or that have their primary listing in the United States. Each Fund's investments are described further in the paragraphs below:

- *Vanguard U.S. Minimum Volatility ETF* invests primarily in a group of U.S. common stocks that together are deemed by the advisor to have the potential to generate lower volatility relative to the broad U.S. equity market. The Fund's



portfolio includes a diverse mix of companies representing many different market sectors and industry groups. The advisor uses a quantitative model to evaluate all of the securities in an investment universe comprised of U.S. large-, mid-, and small-capitalization stocks and to construct a U.S. equity portfolio that seeks to achieve the lowest amount of expected volatility subject to a rules-based screen designed to promote diversification and to mitigate exposure to certain less liquid stocks.

- *Vanguard U.S. Momentum Factor ETF* invests primarily in U.S. common stocks with the potential to generate higher returns relative to the broad U.S. equity market by investing in stocks with strong recent performance as determined by the advisor. The Fund's portfolio includes a diverse mix of companies representing many different market sectors and industry groups. The advisor uses a quantitative model to evaluate all of the securities in an investment universe comprised of U.S. large-, mid-, and small-capitalization stocks and to construct a U.S. equity portfolio that seeks to achieve exposure to securities with relatively strong recent performance subject to a rules-based screen designed to promote diversification and to mitigate exposure to certain less liquid stocks. Securities with relatively strong recent performance may be identified by measures such as performance over different time periods.
- *Vanguard U.S. Multifactor ETF* invests primarily in U.S. common stocks with the potential to generate higher returns relative to the broad U.S. equity market by investing in stocks with relatively strong recent performance, strong fundamentals, and low prices relative to fundamentals as determined by the advisor. The Fund's portfolio includes a diverse mix of companies representing many different market sectors and industry groups. The advisor uses a quantitative model to evaluate all of the securities in an investment universe comprised of U.S. large-, mid-, and small-capitalization stocks and to construct a U.S. equity portfolio that seeks to achieve exposure to multiple factors subject to a rules-based screen designed to promote diversification and to mitigate exposure to certain less liquid and more volatile stocks.
- *Vanguard U.S. Quality Factor ETF* invests primarily in U.S. common stocks with the potential to generate higher returns relative to the broad U.S. equity market by investing in stocks with strong fundamentals as determined by the advisor. The Fund's portfolio includes a diverse mix of companies representing many different market sectors and industry groups. The advisor uses a quantitative model to evaluate all of the securities in an investment universe comprised of U.S. large-, mid-, and small-capitalization stocks and to construct a U.S. equity portfolio that seeks to achieve exposure to securities with strong fundamentals subject to a rules-based screen designed to promote diversification and to mitigate exposure to certain less liquid stocks. Securities with relatively

strong fundamentals may be identified by measures such as strong profitability, sustainable earnings, and healthy balance sheets.

- *Vanguard U.S. Value Factor ETF* invests primarily in U.S. common stocks with the potential to generate higher returns relative to the broad U.S. equity market by investing in stocks with relatively lower share prices relative to fundamental values as determined by the advisor. The Fund's portfolio includes a diverse mix of companies representing many different market sectors and industry groups. The advisor uses a quantitative model to evaluate all of the securities in an investment universe comprised of U.S. large-, mid-, and small-capitalization stocks and to construct a U.S. equity portfolio that seeks to achieve exposure to securities with lower prices relative to fundamental measures of value subject to a rules-based screen designed to promote diversification and to mitigate exposure to certain less liquid stocks. Securities with lower prices relative to fundamental value may be identified by measures such as book to price and earnings to price ratios.

The advisor's quantitative model for each U.S. Factor ETF (except for Vanguard U.S. Multifactor ETF and Vanguard U.S. Minimum Volatility ETF) first groups the securities within the Fund's investment universe by market capitalization and then ranks each security within each group by reference to characteristics designed to measure exposure to a desired factor. The model determines the identity and amount of securities to include within the portfolio based on such rankings subject to a rules-based screen designed to promote diversification and to mitigate exposure to less liquid stocks.

For Vanguard U.S. Multifactor ETF, the advisor's quantitative model first groups the securities within the Fund's investment universe by market capitalization and then ranks each security within each group by reference to characteristics designed to measure its exposure to the momentum, quality, and value factors. The model places emphasis on the securities with the lowest rankings related to volatility and the highest rankings related to momentum, quality, and value factors. The model determines the identity and amount of securities to include within the portfolio based on such rankings subject to a rules-based screen designed to promote diversification and to mitigate exposure to certain less liquid and more volatile stocks.

For Vanguard U.S. Minimum Volatility ETF, the advisor's quantitative model evaluates the securities in the Fund's investment universe by reference to characteristics designed to measure their exposure to a variety of factors that influence a security's volatility such as sector, liquidity, size, and value. The model also assesses the interaction between these factors and their impact on the overall volatility of the portfolio subject to a rules-based screen designed to promote diversification and to mitigate exposure to certain less liquid stocks.

## Ownership Limitations

As the assets managed by Vanguard and its external advisors continue to grow, the securities held by Vanguard funds increasingly are impacted by ownership limitations. Ownership limitations restrict the amount that funds can invest in certain securities, due to either regulatory limits that apply to certain industries (for example, banking and utilities) or mechanisms that some issuers have in place to deter takeover attempts (for example, poison pills). These restrictions can have negative impacts on funds, including the inability of an index fund to track its index, the inability of a fund to meet its investment objectives, negative performance impacts, and unanticipated tax consequences. The impact of a particular ownership limitation on a Vanguard fund will vary based on several factors, including, but not limited to, the industry to which the limitation applies, the country or region of a particular issuer, and the regulatory body imposing the limitation. In addition to the impacts of specific ownership limitations, Vanguard is also subject to the risk of multiple ownership limitations applying at one time, which could increase the likelihood of a fund experiencing the negative impacts listed above. Vanguard attempts to mitigate the impacts of ownership limitations on Vanguard funds through the various methods discussed below in *Methods to address ownership limitations*. However, it is possible that these methods will be unsuccessful.

**Impacts of ownership limitations.** When an ownership limitation applies, Vanguard may need to tell the Vanguard funds how much of impacted securities each fund can buy and hold. When this occurs, a Vanguard fund may not be able to buy additional securities or continue to hold existing securities above its allocated amounts. For index funds, this can result in tracking error if a fund cannot buy or hold the securities it needs in order to replicate or sample its target index. For active funds, this can result in a fund's advisor not being able to take advantage of favorable opportunities to invest in securities that are subject to limitations. For both index and active funds, the inability to buy or hold securities could prevent a fund from being able to meet its investment objective or invest in accordance with its investment strategy, and/or could negatively impact the fund's performance. In addition, the steps Vanguard and the Vanguard funds take to address ownership limitations could result in additional costs and/or unanticipated tax consequences to a fund that affect the amount, timing, and character of distributions to the fund's shareholders. The more assets Vanguard and its third-party advisors manage, the more likely it is that ownership limitations could affect Vanguard funds negatively.

**Methods to address ownership limitations.** Vanguard and the Vanguard funds try to manage the negative impacts that ownership limitations could have on the Vanguard funds by seeking permission (relief) from regulators and/or issuers to purchase or hold more securities than the amount allowed by ownership

limitations. However, it is not always possible to secure relief, and there is an increasing amount of uncertainty around how much ownership limitations relief regulators will grant to asset managers like Vanguard. Given this uncertainty, there is no guarantee that Vanguard or the Vanguard funds will be able to obtain additional relief from ownership limitations in the future. In addition, the relief upon which Vanguard and the Vanguard funds currently rely, which has allowed Vanguard to exceed certain ownership limitations, could be reduced or revoked, forcing the Vanguard funds to sell down one or more securities to comply with the ownership limitations. If a fund has to sell securities, there could be negative impacts to fund performance as well as unanticipated tax consequences that could impact the amount, timing, and character of distributions to the fund's shareholders.

When a Vanguard fund cannot buy or hold securities directly due to ownership limitations, the fund will typically try to get indirect exposure to impacted securities. The fund does this so that it can replicate as closely as possible the returns the fund would get if it directly owned the impacted securities. Indirect exposure can be accomplished through the use of derivatives, such as total return swaps, or by investing in wholly owned subsidiaries that hold the impacted securities. Both of these methods of obtaining indirect exposure increase fund costs, and, depending on the extent to which these alternatives are used by a fund to avoid exceeding ownership limits, the added costs could have a negative impact on the fund's performance. The risks of derivatives use are discussed elsewhere in the prospectus.



*Each Fund is subject to manager risk, which is the chance that poor security selection will cause each Fund to underperform relevant benchmarks or other funds with a similar investment objective. Each Fund's advisor uses a quantitative process to evaluate securities, and each Fund can perform differently from the market as a whole as a result of the stock selection model.*



*Vanguard U.S. Multifactor ETF is subject to management of certain similar funds risk. The name, investment objective, principal investment strategies, and risks of the Fund are similar to another separate fund managed by the Fund's portfolio managers. However, the investment results of the Fund may be higher or lower than, and there is no guarantee that the investment results of the Fund will be comparable to, that other fund due to differences in scale, certain investment processes, and underlying holdings.*

## **Other Investment Policies and Risks**

In addition to investing in common stocks, each Fund may make other kinds of investments to achieve its investment objective.

Each Fund may invest in equity futures, equity rights, and warrants, all of which are types of derivatives. A Fund may also use derivatives such as total return swaps to obtain exposure to a stock, a basket of stocks, or an index. Derivatives may be used as an alternate means to obtain economic exposure if the Fund is required to limit its investment in a particular issuer or industry. Generally speaking, a derivative is a financial contract whose value is based on the value of a financial asset (such as a stock, a bond, or a currency), a physical asset (such as gold, oil, or wheat), a market index, or a reference rate. Investments in derivatives may subject the Funds to risks different from, and possibly greater than, those of investments directly in the underlying securities or assets. The Funds will not use derivatives for speculation or for the purpose of leveraging (magnifying) investment returns.

Equity futures may provide returns similar to those of common stocks. The Fund may purchase equity futures when doing so will reduce the Fund's transaction costs, will allow the Fund to invest cash inflows in a timely manner, or when investing in equity futures may potentially add value because the instruments are favorably priced as determined by the advisor. Although the Fund expects its investment in equity futures to be small relative to its total assets, it is possible that equity futures could temporarily represent a large percentage of the Fund's portfolio when investing cash inflows.

## **Cash Management**

Each Fund's daily cash balance may be invested in Vanguard Market Liquidity Fund, a government money market fund, and/or Vanguard Municipal Low Duration Fund, a short-term municipal bond fund (each, a CMT Fund). When investing in a CMT Fund, each Fund bears its proportionate share of the expenses of the CMT Fund in which it invests. Vanguard receives no additional revenue from Fund assets invested in a CMT Fund.

## **Redemption Requests**

**Methods used to meet redemption requests.** Redemptions of ETF Shares are typically met through a combination of cash and securities held by each Fund; see "How Are Vanguard ETF Shares Different From Conventional Mutual Fund Shares?" If cash is used to meet redemptions, the Fund typically obtains such cash through positive cash flows or the sale of Fund holdings consistent with the Fund's investment objective and strategy. Please consult the Funds' *Statement of Additional Information* for further information on redemptions of ETF Shares.

Under certain circumstances, including under stressed market conditions, a Fund may borrow money (subject to certain regulatory conditions and if available under board-approved procedures) through an interfund lending facility; through a bank line-of-credit, including a joint committed credit facility; or through an uncommitted line-of-credit from Vanguard in order to meet redemption requests.

**Potential redemption activity impacts.** Vanguard funds can be negatively impacted by certain large redemptions. These redemptions could occur due to a single shareholder or multiple shareholders deciding to sell a large quantity of shares of a fund or a share class of the fund. Large redemptions can occur for many reasons, either as a result of actions taken by Vanguard or its affiliates, or as a result of events unrelated to actions taken by Vanguard or its affiliates. Actions taken by Vanguard could include, but are not limited to, changes to a fund's advisor(s), changes to a fund's portfolio manager(s), changes to the composition of a fund's portfolio, and/or other product changes or launches that, for example, result in shareholders redeeming shares of one fund to purchase shares of another fund or investment vehicle. For a fund of funds, actions taken by Vanguard could include a withdrawal from an underlying fund or a change in the allocation to underlying funds. Events unrelated to actions taken by Vanguard could include shareholders selling out of a fund in response to market movements or regulatory changes.


A large redemption could adversely affect a fund's liquidity and net asset value (NAV). For example, a large redemption could require a fund's manager to sell portfolio holdings at unplanned or inopportune times. The manager's sale of these holdings, which is a taxable event, could require the fund to distribute any corresponding capital gains or other taxable income to the fund's remaining shareholders; see *Dividends, Capital Gains, and Taxes* for additional information. The increased trading activity could also increase underlying costs for the fund due to commissions paid by the fund.


### **Temporary Investment Measures**

Each Fund may temporarily depart from its normal investment policies and strategies when the advisor believes that doing so is in the Fund's best interest, so long as the strategy or policy employed is consistent with the Fund's investment objective. For instance, a Fund may invest beyond its normal limits in derivatives that are consistent with the Fund's investment objective when those instruments are more favorably priced or provide needed liquidity, as might be the case if the Fund is transitioning assets from one advisor to another or receives large cash flows that it cannot prudently invest immediately. A Fund may also invest beyond its normal limits in derivatives as an alternate means to obtain economic exposure if the Fund is required to limit its investment in a particular issuer or industry.


In addition, each Fund may take temporary defensive positions that are inconsistent with its normal investment policies and strategies—for instance, by allocating substantial assets to cash equivalent investments or other less volatile instruments—in response to adverse or unusual market, economic, political, or other conditions. In doing so, the Fund may succeed in avoiding losses but may otherwise fail to achieve its investment objective.

## Special Risks of Exchange-Traded Shares

 *ETF Shares are not individually redeemable. They can be redeemed with the issuing Fund at NAV only by certain authorized broker-dealers and only in large blocks known as Creation Units. Consequently, if you want to liquidate some or all of your ETF Shares, you must sell them on the secondary market at prevailing market prices.*

 *The market price of ETF Shares may differ from NAV. Although it is expected that the market price of an ETF Share typically will approximate its NAV, there may be times when the market price and the NAV differ significantly. Thus, you may pay more (premium) or less (discount) than NAV when you buy ETF Shares on the secondary market, and you may receive more or less than NAV when you sell those shares. These discounts and premiums are likely to be greatest during times of market disruption or extreme market volatility.*

Vanguard's website at [vanguard.com](http://vanguard.com) shows the previous day's closing NAV and closing market price for each Fund. The website also discloses, in the **Premium/Discount Analysis** section of each Fund's Price & Performance page, how frequently the Fund traded at a premium or discount to NAV (based on closing NAVs and market prices) and the magnitudes of such premiums and discounts.

 *An active trading market may not exist. Although Vanguard ETF Shares are listed on a national securities exchange, it is possible that an active trading market may not be maintained. Although this could happen at any time, it is more likely to occur during times of severe market disruption. If you attempt to sell your ETF Shares when an active trading market is not functioning, you may have to sell at a significant discount to NAV. In extreme cases, you may not be able to sell your shares at all.*



*Trading may be halted. Trading of Vanguard ETF Shares on an exchange may be halted by the activation of individual or marketwide trading halts (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). Trading of ETF Shares may also be halted if (1) the shares are delisted from the listing exchange without first being listed on another exchange or (2) exchange officials determine that such action is appropriate in the interest of a fair and orderly market or for the protection of investors.*

**A precautionary note to investment companies:** Each Fund's ETF Shares are issued by registered investment companies, and therefore the acquisition of such shares by other investment companies and private funds is subject to the restrictions of Section 12(d)(1) of the Investment Company Act of 1940 (the 1940 Act). SEC Rule 12d1-4 under the 1940 Act permits registered investment companies to invest in other registered investment companies beyond the limits in Section 12(d)(1), subject to certain conditions, including that funds with different investment advisors must enter into a fund of funds investment agreement.

## **Shareholder Rights**

Each Fund's Agreement and Declaration of Trust, as amended, requires a shareholder bringing a derivative action on behalf of Vanguard Wellington Funds (the Trust) that is subject to a pre-suit demand to collectively hold at least 10% of the outstanding shares of the Trust or at least 10% of the outstanding shares of the series or class to which the demand relates and to undertake to reimburse the Trust for the expense of any counsel or advisors used when considering the merits of the demand in the event that the board of trustees determines not to bring such action. In each case, these requirements do not apply to claims arising under the federal securities laws to the extent that any such federal securities laws, rules, or regulations do not permit such application. The Trust's Bylaws also provide that shareholders waive the right to trial by jury to the fullest extent permitted by law.

## **Frequent Trading and Market-Timing**

Unlike frequent trading of a Vanguard fund's conventional (i.e., not exchange-traded) classes of shares, frequent trading of ETF Shares does not disrupt portfolio management or otherwise harm fund shareholders. The vast majority of trading in ETF Shares occurs on the secondary market. Because these trades do not involve the issuing fund, they do not harm the fund or its shareholders. Certain broker-dealers are authorized to purchase and redeem ETF Shares directly with the issuing fund. Because these trades typically are effected in kind (i.e., for securities and not for cash), or are assessed a transaction fee when effected in cash, they do not cause any of the harmful



effects to the issuing fund (as previously noted) that may result from frequent trading. For these reasons, the board of trustees of each fund that issues ETF Shares has determined that it is not necessary to adopt policies and procedures to detect and deter frequent trading and market-timing of ETF Shares.

### **Portfolio Holdings**

Please consult the Funds' *Statement of Additional Information* or our website for a description of the policies and procedures that govern disclosure of a Fund's portfolio holdings.

### **Turnover Rate**

Although the Funds generally seek to invest for the long term, each Fund may sell securities regardless of how long they have been held. The **Financial Highlights** section of this prospectus shows historical turnover rates for the Funds. A turnover rate of 100%, for example, would mean that a Fund had sold and replaced securities valued at 100% of its net assets within a one-year period. In general, the greater the turnover rate, the greater the impact transaction costs will have on a fund's return. Also, funds with high turnover rates may be more likely to generate capital gains, including short-term capital gains, that must be distributed to shareholders and will be taxable to shareholders investing through a taxable account.

### **The Funds and Vanguard**

Each Fund is a member of The Vanguard Group, Inc. (Vanguard), a family of over 200 funds. All of the funds that are members of Vanguard (other than funds of funds) share in the expenses associated with administrative services and business operations, such as personnel, office space, and equipment.

Vanguard Marketing Corporation provides marketing services to the funds. Although fund shareholders do not pay sales commissions or 12b-1 distribution fees, each fund (other than a fund of funds) or each share class of a fund (in the case of a fund with multiple share classes) pays its allocated share of the Vanguard funds' marketing costs.

## Plain Talk About Vanguard's Unique Corporate Structure

Vanguard is owned jointly by the funds it oversees and thus indirectly by the shareholders in those funds. Most other mutual funds are operated by management companies that are owned by third parties—either public or private stockholders—and not by the funds they serve.

## Investment Advisor

The Vanguard Group, Inc., P.O. Box 2600, Valley Forge, PA 19482, which began operations in 1975, serves as advisor to the Funds through its Quantitative Equity Group. As of November 30, 2024, Vanguard served as advisor for approximately \$8.8 trillion in assets. Vanguard provides investment advisory services to the Funds pursuant to the Funds' Service Agreement and subject to the supervision and oversight of the trustees and officers of the Funds.

For the fiscal year ended November 30, 2024, the advisory expenses represented an effective annual rate of each Fund's average net assets as follows: for Vanguard U.S. Minimum Volatility ETF, 0.02%; for Vanguard U.S. Momentum Factor ETF, 0.03%; for Vanguard U.S. Multifactor ETF, 0.03%; for Vanguard U.S. Quality Factor ETF, 0.03%; for Vanguard U.S. Value Factor ETF, 0.03%.

Although the Funds are managed solely by Vanguard, the Funds reserve the right to utilize a multimanager approach in the future. Under the terms of an SEC exemption, the Funds' board of trustees may, without prior approval from shareholders, change the terms of an advisory agreement with a third-party investment advisor or hire a new third-party investment advisor—either as a replacement for an existing advisor or as an additional advisor. Any significant change in a Fund's advisory arrangements will be communicated to shareholders in writing. As the Funds' sponsor and overall manager, Vanguard may provide investment advisory services to a Fund at any time. Vanguard may also recommend to the board of trustees that an advisor be hired, terminated, or replaced or that the terms of an existing advisory agreement be revised. The Funds have filed an application seeking a similar SEC exemption with respect to investment advisors that are wholly owned subsidiaries of Vanguard. If the exemption is granted, the Funds may rely on the new SEC relief.

For a discussion of why the board of trustees approved each Fund's investment advisory arrangement, see the semiannual report to shareholders covering the fiscal period ended May 31, 2024.

The managers primarily responsible for the day-to-day management of the Funds are:

**John Ameriks**, Ph.D., Principal of Vanguard and global head of the Quantitative Equity Group in Vanguard's Investment Management Group. He has worked in investment management since 1996 and has managed the Funds since 2022 (co-managed since 2023). Education: A.B. from Stanford University; M.A., M.Phil., and Ph.D. in economics from Columbia University.

**Scott Rodemer**, CFA, Head of Equity Factor Investments within Vanguard's Quantitative Equity Group and Portfolio Manager. He joined Vanguard in 2004 and has worked in investment management since 2007. He has co-managed the Funds since 2023. Education: B.A. from Villanova University and M.S. in Finance from the University of Notre Dame.

The Funds' *Statement of Additional Information* provides information about each portfolio manager's compensation, other accounts under management, and ownership of shares of the Funds.

## **Dividends, Capital Gains, and Taxes**

### **Fund Distributions**

Each Fund generally distributes to shareholders virtually all of its net income (interest and dividends, less expenses) as well as any net short-term or long-term capital gains realized from the sale of its holdings. From time to time, each Fund may also make distributions that are treated as a return of capital. Income dividends generally are distributed quarterly in March, June, September, and December; capital gains distributions, if any, generally occur annually in December. In addition, each Fund may occasionally make a supplemental distribution at some other time during the year.

## Plain Talk About Distributions

As a shareholder, you are entitled to your portion of a fund's income from interest and dividends as well as capital gains from the fund's sale of investments. Income consists of both the dividends that the fund earns from any stock holdings and the interest it receives from any money market and bond investments. Capital gains are realized whenever the fund sells securities for higher prices than it paid for them. These capital gains are either short-term or long-term, depending on whether the fund held the securities for one year or less or for more than one year.

### Reinvestment of Distributions

In order to reinvest dividend and capital gains distributions, investors in a Fund must hold their shares at a broker that offers a reinvestment service. This can be the broker's own service or a service made available by a third party, such as the broker's outside clearing firm or the Depository Trust Company (DTC). If a reinvestment service is available, distributions of income and capital gains can automatically be reinvested in additional whole and fractional ETF Shares of the Fund. If a reinvestment service is not available, investors will receive their distributions in cash. To determine whether a reinvestment service is available and whether there is a commission or other charge for using this service, consult your broker.

As with all exchange-traded funds, reinvestment of dividend and capital gains distributions in additional ETF Shares will occur two business days or more after the ex-dividend date (the date when a distribution of dividends or capital gains is deducted from the price of a Fund's shares). The exact number of days depends on your broker. During that time, the amount of your distribution will not be invested in the Fund and therefore will not share in the Fund's income, gains, and losses.

### Basic Tax Points

Investors in taxable accounts should be aware of the following basic federal income tax points:

- Distributions are taxable to you whether or not you reinvest these amounts in additional ETF Shares.
- Distributions declared and recorded in December—if paid to you by the end of January—are taxable as if received in December.
- Any dividend distribution or short-term capital gains distribution that you receive is taxable to you as ordinary income. If you are an individual and meet

certain holding-period requirements with respect to your ETF Shares, you may be eligible for reduced tax rates on “qualified dividend income,” if any, or a special tax deduction on “qualified REIT dividends,” if any, distributed by the Fund.

- Any distribution of net long-term capital gains is taxable to you as long-term capital gains, no matter how long you have owned ETF shares.
- Capital gains distributions can occur when a Fund sells assets at a gain. Capital gains distributions vary from year to year as a result of the Fund’s investment activities and cash flows, including those due to redemption activity by Fund shareholders.
- Capital gains distributions may occur if Vanguard makes changes that would impact a Fund directly or indirectly, including if Vanguard makes changes to the Fund’s portfolio or to any other Vanguard fund or product that would involve the redemption of shares of the Fund and the related sale of the Fund’s investments.
- Your cost basis in the Fund will be decreased by the amount of any return of capital that you receive. This, in turn, will affect the amount of any capital gain or loss that you realize when selling your ETF Shares.
- Return of capital distributions generally are not taxable to you until your cost basis has been reduced to zero. If your cost basis is at zero, return of capital distributions will be treated as capital gains.
- A sale of ETF Shares is a taxable event. This means that you may have a capital gain to report as income, or a capital loss to report as a deduction, when you complete your tax return.

Individuals, trusts, and estates whose income exceeds certain threshold amounts are subject to a 3.8% Medicare contribution tax on “net investment income.” Net investment income takes into account distributions paid by the Fund and capital gains from any sale of ETF Shares.

Dividend distributions and capital gains distributions that you receive, as well as your gains or losses from any sale of ETF Shares, may be subject to state and local income taxes.

This prospectus provides general tax information only. If you are investing through a tax-advantaged account, such as an IRA or an employer-sponsored retirement or savings plan, special tax rules apply. Please consult your tax advisor for detailed information about any tax consequences for you.

## Share Price and Market Price

Share price, also known as NAV, is typically calculated as of the close of regular trading on the New York Stock Exchange (NYSE), generally 4 p.m., Eastern time, on each day that the NYSE is open for business (a business day). In the rare event the NYSE experiences unanticipated disruptions and is unavailable at the close of the trading day, NAVs will be calculated as of the close of regular trading on the Nasdaq (or another alternate exchange if the Nasdaq is unavailable, as determined at Vanguard's discretion), generally 4 p.m., Eastern time. The NAV per share is computed by dividing the total assets, minus liabilities, of the Fund by the number of Fund shares outstanding. On U.S. holidays or other days when the NYSE is closed, the NAV is not calculated, and the Funds do not sell or redeem shares. However, on those days the value of a Fund's assets may be affected to the extent that the Fund holds securities that change in value on those days (such as foreign securities that trade on foreign markets that are open).

Remember: If you buy or sell ETF Shares on the secondary market, you will pay or receive the market price, which may be higher or lower than NAV. Your transaction will be priced at NAV only if you purchase or redeem your ETF Shares in Creation Unit blocks (an option available only to certain authorized broker-dealers).

Stocks held by a Vanguard fund are valued at their *market value* when reliable market quotations are readily available from the principal exchange or market on which they are traded. Such securities are generally valued at their official closing price, the last reported sales price, or if there were no sales that day, the mean between the closing bid and asking prices. When a fund determines that market quotations either are not readily available or do not accurately reflect the value of a security, the security is priced at *fair value* (the amount that the owner might reasonably expect to receive upon the current sale of the security).

The values of any foreign securities held by a fund are converted into U.S. dollars using an exchange rate obtained from an independent third party as of the close of regular trading on the NYSE. The values of any mutual fund shares, including institutional money market fund shares, held by a fund are based on the NAVs of the shares. The values of any ETF shares or closed-end fund shares held by a fund are based on the market value of the shares.

A fund also will use fair-value pricing if the value of a security it holds has been materially affected by events occurring before the fund's pricing time but after the close of the principal exchange or market on which the security is traded. This most commonly occurs with foreign securities, which may trade on foreign exchanges that close many hours before the fund's pricing time. Intervening

events might be company-specific (e.g., earnings report, merger announcement) or country-specific or regional/global (e.g., natural disaster, economic or political news, interest rate change, act of terrorism). Intervening events include price movements in U.S. markets that exceed a specified threshold or that are otherwise deemed to affect the value of foreign securities.

Fair-value pricing may be used for domestic securities—for example, if (1) trading in a security is halted and does not resume before the fund's pricing time or a security does not trade in the course of a day and (2) the fund holds enough of the security that its price could affect the NAV.

Fair-value prices are determined by Vanguard according to procedures adopted by the board of trustees. When fair-value pricing is employed, the prices of securities used by a fund to calculate the NAV may differ from quoted or published prices for the same securities.

Each Fund has authorized certain financial intermediaries and their designees, and may, from time to time, authorize certain funds of funds for which Vanguard serves as the investment advisor (Vanguard Funds of Funds), to accept orders to buy or sell fund shares on its behalf. The Fund will be deemed to receive an order when accepted by the financial intermediary, its designee, or one of the Vanguard Funds of Funds, and the order will receive the NAV next computed by the Fund after such acceptance.

Vanguard's website will show the previous day's closing NAV and closing market price for each Fund's ETF Shares.

Additional Information

The Trust’s Bylaws designate Delaware courts as the exclusive forum for certain claims against or related to the Trust, a trustee, an officer, or other employee of the Trust except that, unless the Trust otherwise consents in writing, the U.S. Federal District Courts are the exclusive forum for the resolution of complaints under the Securities Act of 1933 or the 1940 Act. These provisions may limit a shareholder’s ability to bring a claim in a different forum and may result in increased shareholder costs in pursuing such a claim.

Vanguard Fund	Inception Date	Vanguard Fund Number	CUSIP Number
Vanguard U.S. Minimum Volatility ETF	2/13/2018	4419	921935409
Vanguard U.S. Momentum Factor ETF	2/13/2018	4418	921935508
Vanguard U.S. Multifactor ETF	2/13/2018	4421	921935607
Vanguard U.S. Quality Factor ETF	2/13/2018	4417	921935706
Vanguard U.S. Value Factor ETF	2/13/2018	4416	921935805

Certain affiliates of the Funds and the advisor may purchase and resell ETF Shares pursuant to the prospectus.

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# Financial Highlights

Financial highlights information is intended to help you understand a fund's performance for the past five years (or, if shorter, its period of operations). Certain information reflects financial results for a single fund share. Total return represents the rate that an investor would have earned or lost each period on an investment in a fund or share class (assuming reinvestment of all distributions). This information has been obtained from the financial statements audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, whose report, along with fund financial statements, is included in a fund's most recent annual Financial Statements and Other Information. You may obtain a free copy of a fund's latest disclosure documents upon request.

## Vanguard U.S. Minimum Volatility ETF

	Year Ended November 30,				
For a Share Outstanding Throughout Each Period	2024	2023	2022	2021	2020
<b>Net Asset Value, Beginning of Period</b>	<b>\$101.51</b>	<b>\$102.91</b>	<b>\$100.28</b>	<b>\$87.08</b>	<b>\$91.10</b>
<b>Investment Operations</b>					
Net Investment Income <sup>1</sup>	1.838	2.373	2.160	1.374	1.779
Net Realized and Unrealized Gain (Loss) on Investments	26.142	(1.354)	2.231	13.497	(3.776)
Total from Investment Operations	27.980	1.019	4.391	14.871	(1.997)
<b>Distributions</b>					
Dividends from Net Investment Income	(1.810)	(2.419)	(1.761)	(1.671)	(2.023)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(1.810)	(2.419)	(1.761)	(1.671)	(2.023)
<b>Net Asset Value, End of Period</b>	<b>\$127.68</b>	<b>\$101.51</b>	<b>\$102.91</b>	<b>\$100.28</b>	<b>\$87.08</b>
<b>Total Return</b>	<b>27.84%</b>	<b>1.13%</b>	<b>4.46%</b>	<b>17.22%</b>	<b>-1.99%</b>
<b>Ratios/Supplemental Data</b>					
Net Assets, End of Period (Millions)	\$153	\$93	\$81	\$47	\$57
Ratio of Total Expenses to Average Net Assets	0.13%	0.13% <sup>2</sup>	0.13%	0.13%	0.13%
Ratio of Net Investment Income to Average Net Assets	1.61%	2.40%	2.18%	1.43%	2.14%
Portfolio Turnover Rate <sup>3</sup>	39%	26%	32%	46%	83%

1 Calculated based on average shares outstanding.

2 The ratio of expenses to average net assets for the period net of reduction from custody fee offset arrangements was 0.13%.

3 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 ETF Creation Units.

## Vanguard U.S. Momentum Factor ETF

	Year Ended November 30,				
For a Share Outstanding Throughout Each Period	2024	2023	2022	2021	2020
<b>Net Asset Value, Beginning of Period</b>	<b>\$120.30</b>	<b>\$121.83</b>	<b>\$132.12</b>	<b>\$106.33</b>	<b>\$85.18</b>
<b>Investment Operations</b>					
Net Investment Income <sup>1</sup>	1.301	1.232	2.072	1.227	.552
Net Realized and Unrealized Gain (Loss) on Investments	57.668	(1.405)	(10.460)	25.325	21.279
Total from Investment Operations	58.969	(.173)	(8.388)	26.552	21.831
<b>Distributions</b>					
Dividends from Net Investment Income	(1.119)	(1.357)	(1.902)	(.762)	(.681)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(1.119)	(1.357)	(1.902)	(.762)	(.681)
<b>Net Asset Value, End of Period</b>	<b>\$178.15</b>	<b>\$120.30</b>	<b>\$121.83</b>	<b>\$132.12</b>	<b>\$106.33</b>
<b>Total Return</b>	<b>49.23%</b>	<b>-0.06%</b>	<b>-6.27%</b>	<b>25.01%</b>	<b>25.91%</b>
<b>Ratios/Supplemental Data</b>					
Net Assets, End of Period (Millions)	\$919	\$334	\$284	\$191	\$58
Ratio of Total Expenses to Average Net Assets	0.13%	0.13% <sup>2</sup>	0.13%	0.13%	0.13%
Ratio of Net Investment Income to Average Net Assets	0.86%	1.07%	1.76%	0.95%	0.62%
Portfolio Turnover Rate <sup>3</sup>	77%	73%	88%	103%	115%

1 Calculated based on average shares outstanding.

2 The ratio of expenses to average net assets for the period net of reduction from custody fee offset arrangements was 0.13%.

3 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 ETF Creation Units.

## Vanguard U.S. Multifactor ETF

	Year Ended November 30,				
For a Share Outstanding Throughout Each Period	2024	2023	2022	2021	2020
<b>Net Asset Value, Beginning of Period</b>	<b>\$106.35</b>	<b>\$105.10</b>	<b>\$103.55</b>	<b>\$79.93</b>	<b>\$79.60</b>
<b>Investment Operations</b>					
Net Investment Income <sup>1</sup>	2.094	2.111	2.188	1.534	1.191
Net Realized and Unrealized Gain (Loss) on Investments	34.345	1.295	1.467	23.442	.372
Total from Investment Operations	36.439	3.406	3.655	24.976	1.563
<b>Distributions</b>					
Dividends from Net Investment Income	(2.049)	(2.156)	(2.105)	(1.356)	(1.233)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(2.049)	(2.156)	(2.105)	(1.356)	(1.233)
<b>Net Asset Value, End of Period</b>	<b>\$140.74</b>	<b>\$106.35</b>	<b>\$105.10</b>	<b>\$103.55</b>	<b>\$79.93</b>
<b>Total Return</b>	<b>34.57%</b>	<b>3.42%</b>	<b>3.73%</b>	<b>31.43%</b>	<b>2.35%</b>
<b>Ratios/Supplemental Data</b>					
Net Assets, End of Period (Millions)	\$333	\$194	\$170	\$110	\$62
Ratio of Total Expenses to Average Net Assets	0.18% <sup>2</sup>	0.18%	0.18% <sup>2</sup>	0.18%	0.19% <sup>2</sup>
Ratio of Net Investment Income to Average Net Assets	1.69%	2.07%	2.21%	1.56%	1.66%
Portfolio Turnover Rate <sup>3</sup>	50%	37%	33%	75%	95%

1 Calculated based on average shares outstanding.

2 The ratio of expenses to average net assets for the period net of reduction from custody fee offset arrangements was 0.18%.

3 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 ETF Creation Units.

## Vanguard U.S. Quality Factor ETF

	Year Ended November 30,				
For a Share Outstanding Throughout Each Period	2024	2023	2022	2021	2020
<b>Net Asset Value, Beginning of Period</b>	<b>\$117.74</b>	<b>\$111.98</b>	<b>\$122.20</b>	<b>\$94.79</b>	<b>\$84.21</b>
<b>Investment Operations</b>					
Net Investment Income <sup>1</sup>	1.809	1.818	1.562	1.403	1.291
Net Realized and Unrealized Gain (Loss) on Investments	31.358	5.667	(10.356)	27.292	10.428
Total from Investment Operations	33.167	7.485	(8.794)	28.695	11.719
<b>Distributions</b>					
Dividends from Net Investment Income	(1.857)	(1.725)	(1.426)	(1.285)	(1.139)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(1.857)	(1.725)	(1.426)	(1.285)	(1.139)
<b>Net Asset Value, End of Period</b>	<b>\$149.05</b>	<b>\$117.74</b>	<b>\$111.98</b>	<b>\$122.20</b>	<b>\$94.79</b>
<b>Total Return</b>	<b>28.35%</b>	<b>6.84%</b>	<b>-7.15%</b>	<b>30.42%</b>	<b>14.29%</b>
<b>Ratios/Supplemental Data</b>					
Net Assets, End of Period (Millions)	\$438	\$244	\$206	\$144	\$55
Ratio of Total Expenses to Average Net Assets	0.13% <sup>2</sup>	0.13% <sup>2</sup>	0.13%	0.13%	0.13%
Ratio of Net Investment Income to Average Net Assets	1.34%	1.64%	1.43%	1.21%	1.59%
Portfolio Turnover Rate	44% <sup>3</sup>	55% <sup>3</sup>	49% <sup>3</sup>	56% <sup>3</sup>	58%

1 Calculated based on average shares outstanding.

2 The ratio of expenses to average net assets for the period net of reduction from custody fee offset arrangements was 0.13%.

3 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 ETF Creation Units.

## Vanguard U.S. Value Factor ETF

	Year Ended November 30,				
For a Share Outstanding Throughout Each Period	2024	2023	2022	2021	2020
<b>Net Asset Value, Beginning of Period</b>	<b>\$103.30</b>	<b>\$105.20</b>	<b>\$99.84</b>	<b>\$73.96</b>	<b>\$75.51</b>
<b>Investment Operations</b>					
Net Investment Income <sup>1</sup>	2.756	2.689	2.220	1.923	1.689
Net Realized and Unrealized Gain (Loss) on Investments	25.667	(1.898)	5.212	25.644	(1.634)
Total from Investment Operations	28.423	.791	7.432	27.567	.055
<b>Distributions</b>					
Dividends from Net Investment Income	(2.833)	(2.691)	(2.072)	(1.687)	(1.605)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(2.833)	(2.691)	(2.072)	(1.687)	(1.605)
<b>Net Asset Value, End of Period</b>	<b>\$128.89</b>	<b>\$103.30</b>	<b>\$105.20</b>	<b>\$99.84</b>	<b>\$73.96</b>
<b>Total Return</b>	<b>27.88%</b>	<b>0.97%</b>	<b>7.63%</b>	<b>37.51%</b>	<b>0.70%</b>
<b>Ratios/Supplemental Data</b>					
Net Assets, End of Period (Millions)	\$841	\$591	\$671	\$448	\$133
Ratio of Total Expenses to Average Net Assets	0.13% <sup>2</sup>	0.13% <sup>2</sup>	0.13% <sup>2</sup>	0.13%	0.14% <sup>2</sup>
Ratio of Net Investment Income to Average Net Assets	2.38%	2.68%	2.22%	1.98%	2.68%
Portfolio Turnover Rate <sup>3</sup>	39%	24%	64%	43%	52%

1 Calculated based on average shares outstanding.

2 The ratio of expenses to average net assets for the period net of reduction from custody fee offset arrangements was 0.13%.

3 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 ETF Creation Units.

# Glossary of Investment Terms

**Active Management.** An investment approach that seeks to exceed the average returns of a particular financial market or market segment. In selecting securities to buy and sell, active managers may rely on, among other things, research, market forecasts, quantitative models, and their own judgment and experience.

**Authorized Participant.** Institutional investors that are permitted to purchase Creation Units directly from, and redeem Creation Units directly with, the issuing fund. To be an Authorized Participant, an entity must be a participant in the Depository Trust Company and must enter into an agreement with the fund's Distributor.

**Bid-Ask Spread.** The difference between the highest price a buyer is willing to pay to purchase ETF Shares (bid) and the lowest price a seller is willing to accept for ETF Shares (ask) when buying or selling shares in the secondary market.

**Capital Gains Distributions.** Payments to fund shareholders of gains realized on securities that a fund has sold at a profit, minus any realized losses.

**Common Stock.** A security representing ownership rights in a corporation.

**Creation Unit.** A large block of a specified number of ETF Shares. Certain broker-dealers known as "Authorized Participants" may purchase and redeem ETF Shares from the issuing fund in Creation Unit size blocks.

**Dividend Distributions.** Payments to fund shareholders of income from interest or dividends generated by a fund's investments.

**Ex-Dividend Date.** The date when a distribution of dividends and/or capital gains is deducted from the share price of a mutual fund, ETF, or stock. On the ex-dividend date, the share price drops by the amount of the distribution per share (plus or minus any market activity).

**Expense Ratio.** A fund's total annual operating expenses expressed as a percentage of the fund's average net assets. The expense ratio includes management and administrative expenses, but it does not include the transaction costs of buying and selling portfolio securities.

**Inception Date.** The date on which the assets of a fund are first invested in accordance with the fund's investment objective. For funds with a subscription period, the inception date is the day after that period ends. Investment performance is generally measured from the inception date.

**Joint Committed Credit Facility.** Each Fund participates, along with other funds managed by Vanguard, in a committed credit facility provided by a syndicate of lenders pursuant to a credit agreement that may be renewed annually; each Vanguard fund is individually liable for its borrowings, if any, under the credit

facility. The amount and terms of the committed credit facility are subject to approval by the Funds' board of trustees and renegotiation with the lender syndicate on an annual basis.

**Mutual Fund.** An investment company that pools the money of many people and invests it in a variety of securities in an effort to achieve a specific objective over time.

**New York Stock Exchange (NYSE).** A stock exchange based in New York City that is open for regular trading on business days, Monday through Friday, from 9:30 a.m. to 4 p.m., Eastern time.

**Price/Earnings (P/E) Ratio.** The current share price of a stock, divided by its per-share earnings (profits). A stock selling for \$20, with earnings of \$2 per share, has a price/earnings ratio of 10.

**Quantitative Model.** A tool used to evaluate specific measurable factors, such as cost of capital, value of assets, and projections of sales, costs, earnings, and profits. The use of a quantitative model provides a systematic approach to investment decisions and portfolios.

**Return of Capital.** A return of capital occurs when a fund's distributions exceed its earnings in a fiscal year. A return of capital is a return of all or part of your original investment or amounts paid in excess of your original investment in a fund. In general, a return of capital reduces your cost basis in a fund's shares and is not taxable to you until your cost basis has been reduced to zero.

**Russell 3000 Index.** An index that measures the performance of the largest 3,000 companies representing approximately 98% of the investable U.S. equity market.

**Securities.** Stocks, bonds, money market instruments, and other investments.

**Total Return.** A percentage change, over a specified time period, in a fund's net asset value, assuming the reinvestment of all distributions of dividends and capital gains.

**Volatility.** The fluctuations in value of a mutual fund or other security. The greater a fund's volatility, the wider the fluctuations in its returns.

**Yield.** Income (interest or dividends) earned by an investment, expressed as a percentage of the investment's price.



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#### **For More Information**

If you would like more information about Vanguard U.S. Factor ETFs, the following documents are available free upon request:

#### **Annual/Semiannual Reports to Shareholders and Form N-CSR**

Additional information about the Funds' investments is available in the Funds' annual and semiannual reports to shareholders and in Form N-CSR. In the annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the Funds' performance during their last fiscal year. In Form N-CSR, you will find the Funds' annual and semiannual financial statements.

#### **Statement of Additional Information (SAI)**

The SAI provides more detailed information about the Funds' ETF Shares and is incorporated by reference into (and thus legally a part of) this prospectus.

To obtain a free copy of the latest annual or semiannual report, financial statements, or the SAI, or to request additional information about Vanguard ETF Shares, please visit <https://vgi.vg/fund-literature> or contact us as follows:

Telephone: 866-499-8473; Text telephone for people with hearing impairment: 800-749-7273

#### **Information Provided by the SEC**

Reports and other information about the Funds are available in the EDGAR database on the SEC's website at [sec.gov](https://sec.gov), or you can receive copies of this information, for a fee, by electronic request at the following email address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov).

Funds' Investment Company Act file number: 811-00121