



## Vanguard ESG U.S. Stock ETF

### **Supplement Dated March 18, 2024, to the Prospectus and Summary Prospectus Dated December 22, 2023**

#### **Important Changes to the Fund**

Effective March 18, 2024, FTSE has announced additional screens to the index methodology for the Fund's target index.

#### **Prospectus and Summary Prospectus Text Changes**

In the **ETF Summary** section, the last sentence of the first paragraph under the *Principal Investment Strategies* heading is restated as follows:

The Index methodology also excludes the stocks of companies that, as FTSE determines based on its internal assessment, do not meet certain labor, human rights, environmental, and anti-corruption standards, as well as companies that do not meet certain diversity criteria.

In the **More on the Fund and ETF Shares** section under the *Security Selection* heading, the "FTSE US All Cap Choice Index" subsection is restated in its entirety to the following:

**FTSE US All Cap Choice Index.** The FTSE US All Cap Choice Index is maintained by FTSE, a widely known global index provider. The Index is a subset of the FTSE Global Choice Index Series, which is designed to help investors align their investment portfolios with their values by excluding companies based on the impact of their conduct or products on society and/or the environment. The FTSE US All Cap Choice Index excludes the stocks of companies that FTSE determines engage in, have a specified level of involvement in, and/or derive threshold amounts of revenue from one or more of the following activities: (i) produce adult entertainment; own/operate adult entertainment establishments; distribute adult entertainment materials; (ii) manufacture alcoholic beverages; supply alcohol-related products/services to alcoholic beverage manufacturers; involved in distribution and/or retail sale of alcoholic beverages; (iii) manufacture tobacco products; supply tobacco related products/services; involved in distribution and/or retail sale of tobacco products; (iv) engage in cannabis cultivation, cannabis distribution, the processing and distribution of cannabis plants, and the creation of cannabis derivative products per the Industry

Classification Benchmark (ICB) standards; (v) own and/or operate a gambling establishment; manufacture specialized equipment used exclusively for gambling; provide supporting products/services to gambling operations; (vi) produce chemical or biological weapons and their components; (vii) produce (or produce specific and critical parts or services for) cluster munitions; (viii) produce (or produce specific and critical parts or services for) anti-personnel mines; (ix) produce nuclear weapons or their components; (x) manufacture military weapons systems and/or integral, tailor-made components of these weapons; provide tailor-made products and/or services that support military weapons; provide non-weapons related tailor-made products and/or services related to the military or defense industry; (xi) produce and sell assault weapons or small arms to civilian customers; produce and sell key components of small arms; involved in the retail and/or distribution of assault weapons or small arms; (xii) involved in the operation and supply of nuclear power generation, that harnesses the energy present within atomic nuclei or their components; engaged in the development, processing, production and distribution of equipment and facilities that are specifically designed for and critical to the generation of nuclear power; (xiii) own proved or probable reserves in coal, oil, or gas; (xiv) any company that FTSE determines per the ICB standards: (a) engages in the exploration for and drilling, production, and supply of crude oil on land or in offshore areas; (b) primarily engages in the refining and marketing of petroleum products; (c) supplies equipment and services to oil fields and offshore platforms; (d) operates pipelines carrying oil, gas or other forms of fuel; (e) engages in all three fields of petroleum production: extraction (upstream), transportation (midstream), and refining and marketing (downstream); or (f) mines, processes and markets coal per the ICB standards; (xv) generate electricity from oil and/or gas, or thermal coal; and (xvi) distribute gas to end users. The level or type of involvement in, or amount of revenue earned from, certain activities or business segments that lead to exclusion by FTSE can vary from one activity or business segment to another.

The Index methodology also excludes the stocks of companies that, as FTSE determines based on its internal assessment, do not meet certain labor, human rights, environmental, and anti-corruption standards, as well as companies that fail to meet two of the following three diversity criteria: (1) at least one woman on the board; (2) diversity policies in place; and (3) diversity management systems in place. FTSE uses internal methodologies to analyze various factors in determining whether a company meets the foregoing criteria and/or falls within a particular industry, including whether the company has a certain amount of revenue derived from an industry, the company's level of involvement in an industry, and the severity of certain controversies (as determined by FTSE), which can vary from one company to another and from one activity to another. For additional details regarding the Index methodology, please see the

Methodology section of FTSE's website for the Global Choice Index Series. As of August 31, 2023, the number of stocks (components) in the Index was approximately 1,476. The components of the Index are reconstituted on a quarterly basis and are likely to change over time.





# Vanguard ESG U.S. Stock ETF Summary Prospectus

December 22, 2023

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

Vanguard ESG U.S. Stock ETF Shares (ESGV)

**The Fund's statutory Prospectus and Statement of Additional Information dated December 22, 2023, as may be amended or supplemented, are incorporated into and made part of this Summary Prospectus by reference.**

**Before you invest, you may want to review the Fund's Prospectus, which contains more information about the Fund and its risks. You can find the Fund's Prospectus and other information about the Fund online at [www.vanguard.com/prospectus](http://www.vanguard.com/prospectus) and <http://personal.vanguard.com/us/literature/reports/ETFs>. You can also obtain this information at no cost by calling 866-499-8473 or by sending an email request to [online@vanguard.com](mailto:online@vanguard.com).**

**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.**

Investment Objective

The Fund seeks to track the performance of a benchmark index that measures the investment return of large-, mid-, and small-capitalization stocks of U.S. companies and is screened for certain environmental, social, and corporate governance criteria.

Fees and Expenses

The following table describes 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 table 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	0.08%
12b-1 Distribution Fee	None
Other Expenses	0.01%
Total Annual Fund Operating Expenses	0.09%

Example

The following example is intended to help you compare the cost of investing in the Fund's ETF Shares 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
\$9	\$29	\$51	\$115

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 3% of the average value of its portfolio.

## Principal Investment Strategies

The Fund employs an indexing investment approach designed to track the performance of the FTSE US All Cap Choice Index. The Index, which is market capitalization-weighted, is composed of large-, mid-, and small-cap stocks of companies located in the United States that are screened for certain environmental, social, and corporate governance (ESG) criteria by the Index provider, which is independent of Vanguard. The FTSE US All Cap Choice Index excludes the stocks of companies that FTSE Russell (FTSE) determines engage in, have a specified level of involvement in, and/or derive threshold amounts of revenue from certain activities or business segments related to the following: adult entertainment, alcohol, tobacco, cannabis, gambling, chemical and biological weapons, cluster munitions, anti-personnel landmines, nuclear weapons, conventional military weapons, civilian firearms, nuclear power, and coal, oil, or gas. The level or type of involvement in, or amount of revenue earned from, certain activities or business segments that lead to exclusion by FTSE can vary from one activity or business segment to another. The Index methodology also excludes the stocks of companies that, as FTSE determines based on its internal assessment, do not meet certain labor, human rights, environmental, and anti-corruption standards as defined by the United Nations Global Compact Principles, as well as companies that do not meet certain diversity criteria.

See the **Security Selection** section for more information regarding the Index exclusions. The components of the Index are likely to change over time.

The Fund attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the Index, holding each stock in approximately the same proportion as its weighting in the Index.

## 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. The Fund's target index tracks a subset of the U.S. stock market, which could cause the Fund to perform differently from the overall market. In addition, the Fund's target index may, at times, become focused in stocks of a

particular market sector, which would subject the Fund to proportionately higher exposure to the risks of that sector.

- *Investment style risk*, which is the chance that returns from small- and mid-capitalization stocks will trail returns from the overall stock market. Historically, small- and mid-cap stocks have been more volatile in price than the large-cap stocks that dominate the overall market, and they often perform quite differently. The stock prices of small and mid-size companies tend to experience greater volatility because, among other things, these companies tend to be more sensitive to changing economic conditions.
- *ESG investing risk*, which is the chance that the stocks selected for inclusion in the index by the index provider based on its disclosed ESG criteria generally will underperform the stock market as a whole or that the particular stocks selected by the index provider based on its ESG criteria will, in the aggregate, trail returns of other ESG funds. There are significant differences in interpretations of what it means for a company to meet ESG criteria. The index provider's assessment of a company or of ESG criteria may differ from an investor's assessment. As a result, stocks selected by the index provider for inclusion in the index may not reflect the beliefs and values of any particular investor and may not exhibit positive or favorable ESG characteristics. The index provider is dependent on the availability of timely and accurate ESG data used to evaluate their ESG criteria. The ESG criteria assessed by the index provider may change over time. In addition, the Fund's target index may, at times, become focused in stocks of a particular market sector, which would subject the Fund to proportionately higher exposure to the risks of that sector. The index provider may evaluate security-level ESG data and, if applicable, ESG criteria that are relevant to the index only at index reviews or rebalances. Securities included in the index may cease to meet the relevant ESG criteria but may nevertheless remain in the index and the Fund until a future review or rebalance by the index provider. As a result, certain securities in the index, or the index as a whole, may not meet the relevant ESG criteria at all times.
- *Index replicating risk*, which is the chance that the Fund may be prevented from holding one or more securities in the same proportion as in its target index.

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



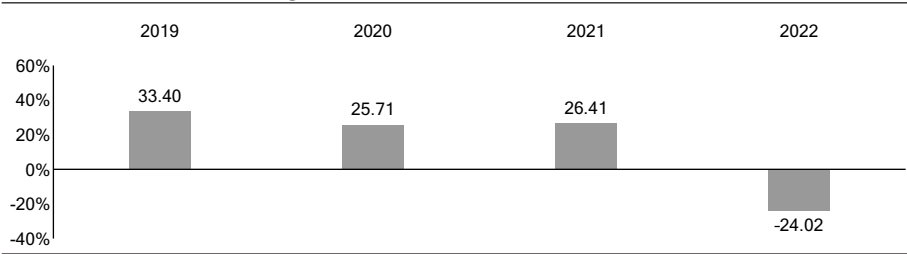
percentage). Trading of the Fund's ETF Shares may also be halted if (1) the shares are delisted from Cboe BZX Exchange, Inc., without first being listed on another exchange or (2) Cboe BZX Exchange, Inc., officials determine that such action is appropriate in the interest of a fair and orderly market 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 its target index and another comparative index, which have 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) or by calling Vanguard toll-free at 800-662-7447.

**Annual Total Returns — Vanguard ESG U.S. Stock ETF Shares<sup>1</sup>**



<sup>1</sup> The year-to-date return as of the most recent calendar quarter, which ended on September 30, 2023, was 15.30%.

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

	Total Return	Quarter
Highest	23.67%	June 30, 2020
Lowest	-18.95%	March 31, 2020

## Average Annual Total Returns for Periods Ended December 31, 2022

	1 Year	Since Fund Inception	Fund Inception Date
<b>Vanguard ESG U.S. Stock ETF Shares</b>			<b>9/18/2018</b>
<i>Based on NAV</i>			
Return Before Taxes	-24.02%	7.97%	
Return After Taxes on Distributions	-24.27	7.64	
Return After Taxes on Distributions and Sale of Fund Shares	-14.04	6.22	
<i>Based on Market Price</i>			
Return Before Taxes	-24.05	7.97	
<b>FTSE US All Cap Choice Index</b>			
(reflects no deduction for fees, expenses, or taxes)	-23.99%	8.07%	
<b>Dow Jones U.S. Total Stock Market Float Adjusted Index</b>			
(reflects no deduction for fees, expenses, or taxes)	-19.53	7.66	

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

Nick Birkett, CFA, Portfolio Manager at Vanguard. He has co-managed the Fund since February 2023.

Gerard C. O'Reilly, Portfolio Manager and Principal of Vanguard. He has co-managed the Fund since its inception in 2018.

### **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 gain. 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.

### **Payments to Financial Intermediaries**

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

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Vanguard ESG U.S. Stock ETF Shares—Fund Number 4393

To request additional information about the Fund, please visit [vanguard.com](https://www.vanguard.com) or contact us at 866-499-8473.

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