Vanguard U.S. Quality Factor ETF
ETF Shares (VFQY) CBOE BZX Exchange, Inc.
Annual Shareholder Report | November 30, 2024

Vanguard

This annual shareholder report contains important information about Vanguard U.S. Quality Factor ETF (the "Fund") for the period of December 1, 2023, to November 30, 2024. You can find additional information about the Fund at https://personal1.vanguard.com/ngf-next-gen-form-webapp/fund-literature. You can also request this information by contacting us at 800-662-7447.

What were the Fund costs for the last year?

(based on a hypothetical $10,000 investment)

Share Class Name	Costs of a $10,000 investment	Costs paid as a percentage of a $10,000 investment
ETF Shares	$15	0.13%

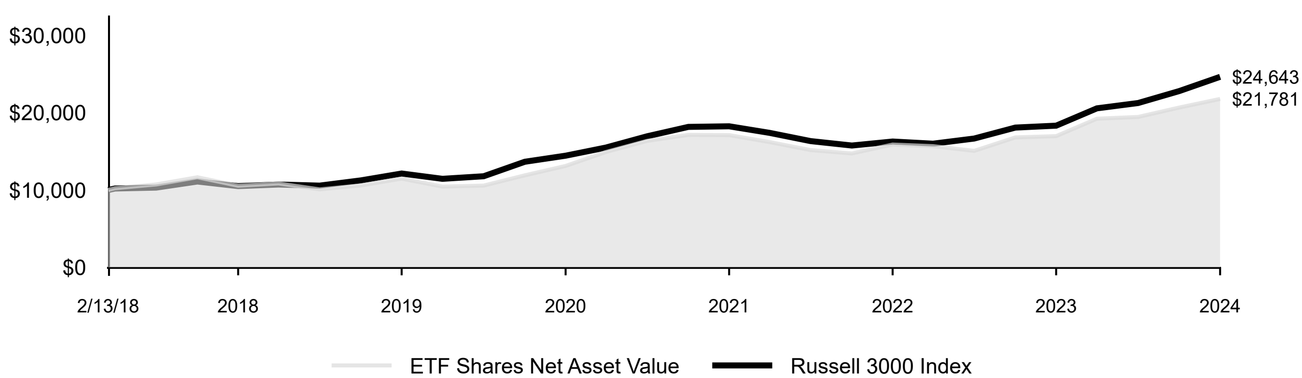
How did the Fund perform during the reporting period?

- For the 12 months ended November 30, 2024, the Fund underperformed its benchmark, the Russell 3000 Index.
- U.S. economic growth hovered around 3% on a year-over-year basis for the period, quelling recession fears. Consumer price inflation trended lower, falling below 3% in July, and the Federal Reserve began to ease monetary policy with cuts to short-term interest rates in September and November. Against this positive macroeconomic backdrop, U.S. stocks posted very strong gains.
- The Fund seeks to provide long-term capital appreciation by investing in stocks with strong operation, earning, and balance sheet quality, as determined by the advisor.
- Only five of the 11 industry sectors contributed to relative performance. The greatest detractors included stock selection in the information technology, consumer discretionary, and consumer staples sectors. An overweight allocation to consumer staples and an underweight to communication services also detracted. The greatest contributor was selection among financial stocks.

How did the Fund perform since inception?

Keep in mind that the Fund's past performance does not indicate how the Fund will perform in the future. Updated performance information is available on our website at vanguard.com/performance or by calling Vanguard toll-free at 800-662-7447. The graph and returns shown do not reflect taxes that a shareholder would pay on fund distributions or on the sale of fund shares.

Cumulative Performance: February 13, 2018, Through November 30, 2024
Initial Investment of $10,000



Average Annual Total Returns			
	1 Year	**5 Years**	**Since Inception 2/13/18**
ETF Shares Net Asset Value	28.35%	13.67%	12.14%
ETF Shares Market Price	28.35%	13.68%	12.15%
Russell 3000 Index	34.49%	15.23%	14.19%

This table reflects the Fund's investments, including short-term investments, derivatives and other assets and liabilities.

Fund Statistics (as of November 30, 2024)	
Fund Net Assets (in millions)	$438
Number of Portfolio Holdings	385
Portfolio Turnover Rate	44%
Total Investment Advisory Fees (in thousands)	$94

Portfolio Composition % of Net Assets (as of November 30, 2024)	
Basic Materials	3.2%
Consumer Discretionary	22.2%
Consumer Staples	8.2%
Energy	3.3%
Financials	13.1%
Health Care	9.9%
Industrials	22.1%
Technology	17.1%
Telecommunications	0.6%
Other Assets and Liabilities—Net	0.3%

Where can I find additional information about the Fund?

Additional information about the Fund, including its prospectus, financial information, holdings, and proxy voting information is available at https://personal1.vanguard.com/ngf-next-gen-form-webapp/fund-literature.

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