

Vanguard Total Corporate Bond ETF ETF Shares (VTC) Nasdaq

Annual Shareholder Report | August 31, 2024

This annual shareholder report contains important information about Vanguard Total Corporate Bond ETF (the "Fund") for the period of September 1, 2023, to August 31, 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	\$4	0.04%

How did the Fund perform during the reporting period?

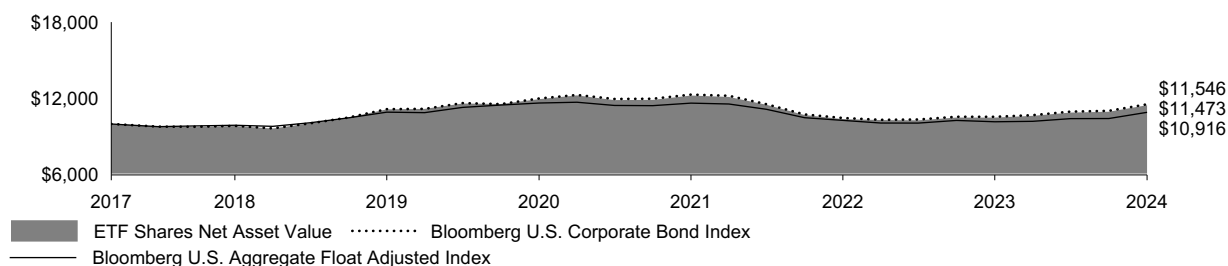
- For the 12 months ended August 31, 2024, Vanguard Total Corporate Bond ETF performed roughly in line with its expense-free benchmark index.
- U.S. economic growth hovered around 3% on a year-over-year basis during the 12 months, quelling recession fears. The Federal Reserve kept its target for short-term interest rates above 5%, and the year-over-year rate of consumer price inflation eased to around 3%. The Bloomberg U.S. Aggregate Float Adjusted Index of investment-grade bonds returned 7.30%.
- Corporate bonds, with their yield spreads narrowing, outperformed both Treasuries and mortgage-backed securities.
- In the ETF's benchmark index, bonds issued by financial institutions and utilities returned more than those issued by industrial companies.
- By maturity, bonds maturing in 5 to 20 years posted the strongest gains, which were in the double digits. By credit quality, lower-rated bonds performed better than higher-rated bonds.

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: November 7, 2017, Through August 31, 2024

Initial Investment of \$10,000



Average Annual Total Returns

	1 Year	5 Years	Since Inception (11/7/2017)
ETF Shares Net Asset Value	9.25%	0.57%	2.04%
ETF Shares Market Price	9.20%	0.53%	2.03%
Bloomberg U.S. Corporate Bond Index	9.29%	0.67%	2.13%
Bloomberg U.S. Aggregate Float Adjusted Index	7.30%	-0.02%	1.30%

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

Fund Statistics (as of August 31, 2024)		Portfolio Composition % of Net Assets (as of August 31, 2024)	
Fund Net Assets (in millions)	\$1,073	Vanguard Short-Term Corporate Bond ETF	37.7%
Number of Portfolio Holdings	4	Vanguard Long-Term Corporate Bond ETF	33.8%
Portfolio Turnover Rate	8%	Vanguard Intermediate-Term Corporate Bond ETF	28.5%
Total Investment Advisory Fees (in thousands)	\$0	Other Assets and Liabilities—Net	0.0%

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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