

This annual shareholder report contains important information about Vanguard Short Duration Bond ETF (the "Fund") for the period of April 1, 2025, to September 30, 2025. 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 period?

(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	\$8 ¹	0.15% ²

¹ Costs would be higher for a full year.

² Annualized.

How did the Fund perform during the reporting period?

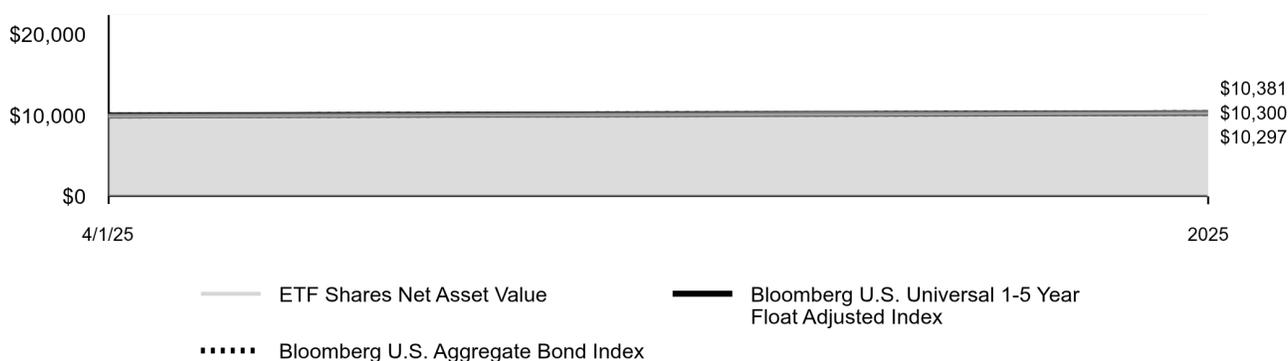
- From its inception on April 1, 2025, through September 30, 2025, the Fund outperformed its benchmark.
- Optimism in the U.S. about deregulation, tax cuts, and artificial intelligence was occasionally tempered by market concerns about rising interest rates, stretched equity valuations, and evolving trade policies. The Federal Reserve resumed cutting short-term interest rates in September 2025 in response to an uncertain economic outlook and slowing job gains. The Fed had paused on lowering rates in December 2024 amid mixed market signals.
- The Fund's outperformance was largely driven by its overweight positions in credit sectors that included U.S. investment-grade corporates, high-yield corporates, emerging market debt, asset-backed securities, and corporate mortgage-backed securities. Issuer selection within these credit sectors also added value, whereas a modest long duration position early in the second quarter detracted slightly.

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: April 1, 2025, Through September 30, 2025

Initial Investment of \$10,000



Average Annual Total Returns

	Since Inception 4/1/25
ETF Shares Net Asset Value	3.81%
ETF Shares Market Price	3.94%
Bloomberg U.S. Universal 1-5 Year Float Adjusted Index	3.00%
Bloomberg U.S. Aggregate Bond Index	2.97%

Fund Statistics (as of September 30, 2025)	
Fund Net Assets (in millions)	\$95
Number of Portfolio Holdings	551
Portfolio Turnover Rate	110%

Portfolio Composition % of Net Assets (as of September 30, 2025)	
Asset-Backed/Commercial Mortgage-Backed Securities	13.3%
Corporate Bonds	49.8%
Floating Rate Loan Interests	1.4%
Sovereign Bonds	6.6%
U.S. Government and Agency Obligations	36.2%
Other Assets and Liabilities—Net	(7.3%)

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

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>.

Connect with Vanguard® • vanguard.com

Fund Information • 800-662-7447
Direct Investor Account Services • 800-662-2739
Text Telephone for People Who Are Deaf or Hard of Hearing •
 800-749-7273

Vanguard

© 2025 The Vanguard Group, Inc.
 All rights reserved.
 Vanguard Marketing Corporation, Distributor.

ARV044