

Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

Vanguard Russell 2000 U.S. Small-Cap UCITS ETF (the "Fund")

A sub-fund of Vanguard Funds PLC

(USD) Distributing Shares

ISIN: IE000LRGEN55

Manager: Vanguard Group (Ireland) Limited ("VGIL")

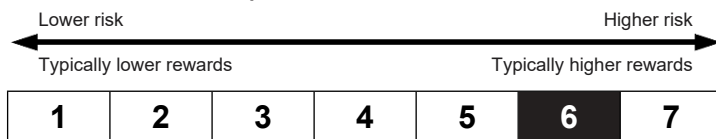
Objectives and investment policy

- In seeking to achieve its investment objective, the Fund aims to provide a return which, before the application of fees and expenses, is similar to the return of the Index.
- The Fund employs a passive management – or indexing – investment approach, through physical acquisition of securities, and seeks to track the performance of the Russell 2000® Index (the "Index").
- The Index measures the performance of the small-cap segment of the US equity universe. The Index is a subset of the Russell 3000® Index which is designed to represent approximately 98% of the investable US equity market. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership.
- The Fund attempts to: 1. Track the performance of the Index by fully replicating the Index, so that the Fund invests in all, or substantially all, of the constituents of the Index, making the weight of such investments approximate to those of the Index, to the extent practicable. 2. Remain fully invested except in extraordinary market, political or similar conditions where the Fund may temporarily depart from this investment policy to avoid losses.
- The Fund may use derivatives in order to reduce risk or cost and/or generate extra income or growth. A derivative is a financial contract whose value is based on the value of a financial asset (such as a share, bond, or currency) or a market index.
- The base currency of the Fund is USD.
- The Fund may invest in securities which are denominated in currencies other than the base currency. Movements in currency exchange rates can affect the return of investments.

- The Fund may engage in short term secured lending of its investments to certain eligible third parties. This is used as a means of generating additional income and to off-set the costs of the Fund.
- The Fund is appropriate for long-term investment. You should have an investment horizon of at least 5 years.
- Income from the ETF Shares will be paid out.
- Portfolio transaction costs will have an impact on performance.
- ETF Shares in the Fund can be bought or sold on a daily basis (save on certain bank / public holidays and subject to certain restrictions described in Appendix 1 of the Prospectus or in a separate Supplement). ETF Shares are listed on one or more stock exchange(s). Subject to certain exceptions set out in the Prospectus, investors who are not Authorised Participants may only buy or sell ETF Shares through a company that is a member of a relevant stock exchange at any time when that stock exchange is open for business. A list of the days on which shares in the Fund cannot be bought or sold is available on <https://fund-docs.vanguard.com/holiday-calendar-vanguard-funds-plc-ETFs.pdf>

For further information about the objectives and investment policy of the Fund, as well as the limited relationship with the Index provider, please see Appendix 1 and Appendix 6 of the Vanguard Funds plc Prospectus (the "Prospectus") on our website at <https://global.vanguard.com>

Risk and reward profile



- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest category does not mean "risk free".
- The Fund is rated 6 due to the nature of its investments which include the risks listed below. These factors may impact the value of the Fund's investments or expose the Fund to losses.
 - The value of equities and equity-related securities can be affected by daily stock market movements. Other influential factors include political, economic news, company earnings and significant corporate events.
 - Investment risk is concentrated in specific sectors, countries, currencies or companies. This means the Fund is more sensitive to any localised economic, market, political or regulatory events.
 - Use of derivatives. The use of derivatives could increase or reduce exposure to underlying assets and result in greater fluctuations of the Fund's net asset value.

The risk and reward indicator does not take account of the following risks of investing in the Fund:

- Counterparty risk. The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss.
- Liquidity risk. Lower liquidity means there are insufficient buyers or sellers to allow the Fund to sell or buy investments readily. This could cause the Fund to incur higher costs when buying or selling investments or could mean that the Fund is not able to buy or sell investments when it would like to do so.
- Index tracking risk. The Fund is not expected to track the performance of the Index at all times with perfect accuracy. The Fund is, however, expected to provide investment results that, before expenses, generally correspond to the price and yield performance of the Index.
- Investing in smaller companies risk. Smaller company stocks can trade less frequently and in smaller volumes and may be subject to more abrupt or erratic price movements than stocks of larger companies. The securities of small companies may also be more sensitive to market changes than securities in larger, more established companies as a result of factors such as less product lines, distribution channels and less financial and managerial resources. As such, this may adversely impact the Fund and/or the interests of investors.

For further information on risks please see the "Risk Factors" section of the Prospectus on our website at <https://global.vanguard.com>

Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charge*	None
Exit charge*	None
This is the maximum that might be taken out of your money before it is invested / before the proceeds of your investment are paid out.	
Charges taken from the Fund over a year	
Ongoing charges	0.20%
Charges taken from the Fund under certain specific conditions	
Performance fee	None

Investors who are not Authorised Participants ("APs") may have to pay fees to a stockbroker when you buy or sell on stock exchange(s). The fees are available directly from your stockbroker and are not charged by, or payable to, the Fund.

The entry and exit charges shown are maximum figures and in some cases you might pay less. Investors can find out the actual entry and exit charges from their distributor and or adviser.

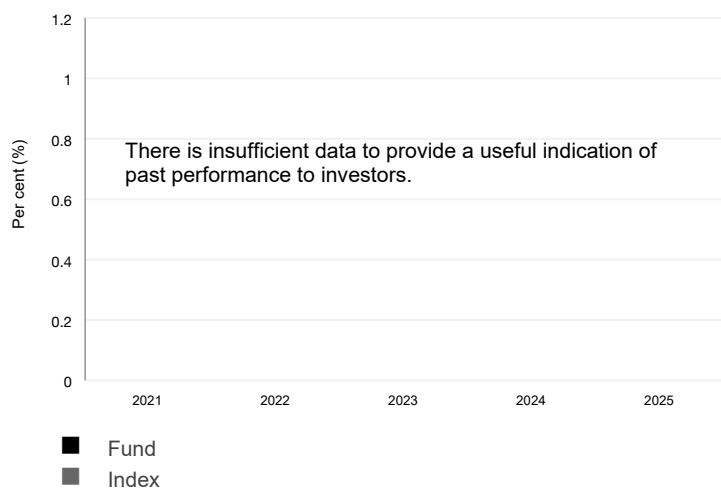
APs dealing directly with the Fund will pay related transaction costs. For cash creations or redemptions there may be a cash transaction fee of a maximum of 2% which is paid to the Fund, and all transactions will have associated transaction costs. Investors who are not APs will not pay these fees or costs.

* In the case of a large subscription or redemption by an investor, that investor may have to pay an additional charge (e.g. anti-dilution levy) to the Fund to cover transaction costs incurred.

Ongoing charges have not been based on an ex-post calculation as the share class was launched less than one calendar year ago. Ongoing charges have accordingly been estimated based on the expected total of charges that will be taken from the assets of the Fund over the course of a year. It excludes portfolio transaction costs.

For further information about charges, please see the Prospectus and the sections entitled "Buying Shares", "Redeeming Shares", "Fees and Expenses" and Appendix 1 on our website at <https://global.vanguard.com>

Past performance



- This share class has not yet launched.

Practical information

- **Depositary:** Brown Brothers Harriman Trustee Services (Ireland) Limited.
- **Documents, prices of shares and further information:** You can obtain copies of the Prospectus and the latest annual and semi-annual report and accounts for Vanguard Funds plc ("VF") along with the latest published prices of shares and other practical information, from VF c/o Brown Brothers Harriman Fund Administration Services (Ireland) Limited, 30 Herbert Street, Dublin 2, D02 W329, Ireland or from our website at <https://global.vanguard.com>. Information on the Fund's portfolio disclosure policy and publication of the iNAV can be obtained at <https://global.vanguard.com/portal/site/portal/ucits-documentation>. The documents are available in English and are free of charge.
- **Prices:** The last published prices of shares in the Fund are also available from the FT's website www.ft.com or <https://global.vanguard.com>.
- **Tax:** VF is subject to the tax laws of Ireland. Depending on your country of residence, this may have an impact on your personal tax position. You are recommended to consult your professional tax adviser.
- **Liability:** VGIL may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus for VF.
- **Sub-funds:** VF is an umbrella fund with a number of sub-funds. This document describes a sub-fund of VF. The prospectus and periodic reports are prepared for the entire company.
- VF is an umbrella Fund with segregated liability between sub-funds. This means that the holdings of the Fund are maintained separately under Irish law from holdings of other sub-funds of VF and your investment in the Fund will not be affected by any claims against any other sub-fund of VF.
- **Shares:** ETF Shares in the Fund may not be exchanged for ETF Shares in any other sub-funds of VF, however APs may, with prior approval, switch ETF Shares in the Fund to a different share class of the same Fund, where other share classes are available.
- Information about other share classes offered by VF can be found in the prospectus or from our website at <https://global.vanguard.com>.
- Further information on the Index Provider please see the Fund's prospectus.
- **Remuneration policy:** Details of VGIL's Remuneration Policy are available at <https://www.ie.vanguard/content/dam/intl/europe/documents/ch/en/ucits-v-remuneration-policy.pdf> including: (a) a description of how remuneration and benefits are calculated; and (b) the identities of persons responsible for awarding remuneration and benefits. A paper copy of these details may be obtained, free of charge, on request from VGIL at 70 Sir John Rogerson's Quay, Dublin 2, Ireland.