

Vanguard Materials ETF | VAW

As of September 30, 2023

Investment approach

- Seeks to track the performance of the MSCI US Investable Market Materials 25/50 Index.
- Multicapitalization equity in the materials sector.
- The fund employs a passively managed, full-replication strategy when possible.
- If regulatory constraints prevent full replication, the fund uses a sampling strategy to approximate the index's key characteristics.
- The fund remains fully invested.
- Low expenses minimize net tracking error.

About the benchmark

- The MSCI US Investable Market Materials 25/50 Index includes stocks of U.S. companies within the materials sector.
- The sector is made up of companies in a wide range of commodity-related manufacturing industries, such as chemicals, construction materials, glass, paper, forest products, and related packaging products, as well as metals, minerals, mining companies, and producers of steel.
- Uses GICS methodology and clearly classified sectors.
- Offers broad representation of the target sector across large-, medium-, and small-cap companies.

Performance history

Total returns² for period ended September 30, 2023

VAW (Inception 01/26/2004)	Quarter	Year to					10 years	Since inception
		date	1 year	3 years	5 years	7 years		
Net asset value (NAV) return ³	-4.79%	2.71%	18.60%	10.65%	7.68%	8.31%	8.62%	
Market price return ⁴	-4.82	2.69	18.43	10.61	7.67	8.30	8.62	
Spliced U.S. Investable Market Materials 25/50 Index	-4.76	2.80	18.71	10.76	7.80	8.40	8.73	

MSCI US Investable Market Materials Index through February 26, 2010; MSCI US Investable Market Materials 25/50 Index thereafter.

The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Investment Products: Not FDIC Insured • No Bank Guarantee • May Lose Value

Quick facts

Benchmark	MSCI US IMI/Materials 25/50
Expense ratio ¹	0.10%
Dividend schedule	Quarterly
ETF total net assets	\$2,862 million
Fund total net assets	\$3,884 million
Inception date	January 26, 2004

Trading information

Ticker symbol	VAW
CUSIP number	92204A801
IV (intra-day ticker)	VAW.IV
Index ticker (Bloomberg)	MSUS5MTI
Exchange	NYSE Arca

ETF attributes

	Materials ETF	MSCI US IMI/Materials 25/50
Number of stocks	113	113
Median market cap	\$30.7B	\$30.7B
Price/earnings ratio	16.2x	16.0x
Price/book ratio	2.5x	2.5x
Return on equity	15.8%	15.8%
Earnings growth rate	13.5%	13.6%
Turnover rate ⁵	4.4	—
Standard deviation ⁶	22.80%	22.81%



1. As reported in the most recent prospectus. A fund's current expense ratio may be lower or higher than the figure reported in the prospectus.

2. Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Fund performance figures assume the reinvestment of dividends and capital gains distributions; the figures are pre-tax and net of expenses. The above widely used comparative index represents unmanaged or average returns on various financial assets that can be compared with the fund's total returns for the purpose of measuring relative performance.

3. As of 4 p.m., Eastern time, when the regular trading session of the New York Stock Exchange typically closes.

4. Market price returns are calculated using the midpoint between the bid and offer prices at the time NAV is calculated, typically 4 p.m., Eastern time.

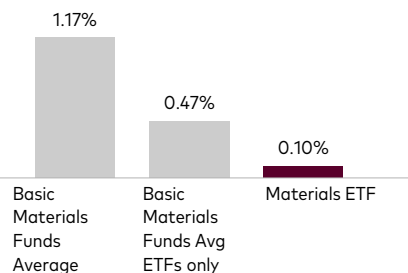
5. For most recent fiscal year. Turnover rate excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including Vanguard ETF Creation Units.

6. A measure of the volatility of a fund—based on the fund's last three years of monthly returns—used to indicate the dispersion of past returns. A higher standard deviation means a greater potential for volatility. For funds with less than 36 months of performance history, standard deviation is not calculated.

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Expense ratio comparison¹



Ten largest holdings and % of total net assets²

Linde plc	16.1%
Air Products and Chemicals Inc.	5.6
Sherwin-Williams Co.	5.5
Freeport-McMoRan Inc.	4.7
Ecolab Inc.	3.8
Nucor Corp.	3.5
Dow Inc.	3.2
Corteva Inc.	3.2
DuPont de Nemours Inc.	3.0
PPG Industries Inc.	2.7
Top ten as % of total net assets	51.3%

Market capitalization breakdown

Large Cap	32.1%
Medium/Large Cap	3.9
Medium Cap	34.5
Medium/Small Cap	14.0
Small Cap	15.6

Subindustry diversification as % of common stock³

Specialty Chemicals	25.7%
Industrial Gases	21.8
Steel	10.2
Commodity Chemicals	7.4
Paper & Plastic Packaging Products & Materials	7.1
Fertilizers & Agricultural Chemicals	6.7
Construction Materials	5.7
Copper	4.8
Metal, Glass & Plastic Containers	4.6
Gold	3.3
Diversified Chemicals	0.8
Other	1.9

1. Represents the expense ratio for the Vanguard ETF as reported in the most recent prospectus. There are material differences between mutual funds and ETFs. Unlike mutual funds, ETFs are priced continuously and bought and sold throughout the day in the secondary market (at a premium or discount to net asset value) with the assistance of a stockbroker, which entails paying commissions. Sources: Lipper, a Thomson Reuters Company, and Vanguard, December 31, 2022.

2. The holdings listed exclude any temporary cash investments and equity index products.

3. Sector categories are based on the Global Industry Classification Standard ("GICS"), except for the "Other" category (if applicable), which includes securities that have not been provided a GICS classification as of the effective reporting period.

Vanguard ETF® Shares are not redeemable with the issuing Fund other than in very large aggregations worth millions of dollars. Instead, investors must buy or sell Vanguard ETF Shares in the secondary market and hold those shares in a brokerage account. In doing so, the investor may incur brokerage commissions and may pay more than net asset value when buying and receive less than net asset value when selling.

All ETF products are subject to risk, which may result in the loss of principal. Sector ETF products are subject to sector risks and non-diversification risks, which may result in performance fluctuations that are more extreme than fluctuations in the overall stock market.

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For more information about Vanguard ETF Shares, visit [vanguard.com](https://www.vanguard.com), call 866-499-8473, or contact your broker to obtain a prospectus or, if available, a summary prospectus. Investment objectives, risks, charges, expenses, and other important information are contained in the prospectus; read and consider it carefully before investing.

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