

Vanguard Total International Bond ETF

As of December 31, 2020

Investment approach

- Seeks to track the performance of the Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged).
- Employs hedging strategies that seek to protect against uncertainty in exchange rates.
- Passively managed, using index sampling.
- Fund remains fully invested.
- Broad exposure across major bond markets outside of the United States.
- Low expenses minimize net tracking error.

About the benchmark

- Broad-based measure of the global, investment-grade, fixed-rate debt markets.
- Includes government, government agency, corporate, and securitized non-U.S. investment grade fixed-income investments all issued in currencies other than the U.S. dollar.
- Capped exposure (20%) to any particular bond issuer, including foreign governments.
- Hedged to offset currency exchange rate fluctuations.

Performance history

Total returns² for period ended December 31, 2020

| BNDX (Inception 05/31/2013) | Quarter | Year to date | 1 year | 3 years | 5 years | Since inception |
|---|---------|--------------|--------|---------|---------|-----------------|
| Net asset value (NAV) return ³ | 1.04% | 4.60% | 4.60% | 5.12% | 4.48% | 4.22% |
| Market price return ⁴ | 1.09 | 4.63 | 4.63 | 5.11 | 4.46 | 4.24 |
| Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged) | 1.08 | 4.75 | 4.75 | 5.30 | 4.67 | 4.45 |

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.

Investors cannot invest directly in an index.

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

Quick facts

| | |
|----------------------------|---|
| Benchmark | Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged) |
| Expense ratio ¹ | 0.08% |
| Dividend schedule | Monthly |
| ETF total net assets | \$37,326 million |
| Fund total net assets | \$163,941 million |
| Inception date | May 31, 2013 |

Trading information

| | |
|--------------------------|-----------|
| Ticker symbol | BNDX |
| CUSIP number | 92203J407 |
| IIV (intra-day ticker) | BNDX.IV |
| Index ticker (Bloomberg) | BGRCTRUH |
| Exchange | NASDAQ |

ETF attributes

| | Total International Bond ETF | Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged) |
|----------------------------|------------------------------|---|
| Number of bonds | 6,338 | 11,618 |
| Average duration | 8.4 years | 8.6 years |
| Average effective maturity | 9.9 years | 10.0 years |
| Turnover rate ⁵ | 31.4 | — |
| Short-term reserves | 0.0 | — |

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.

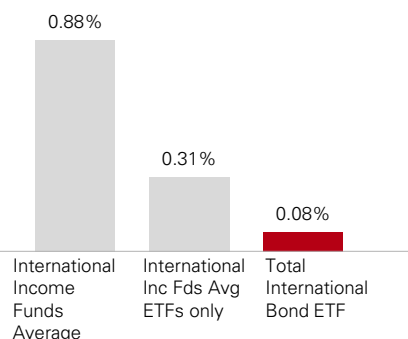
⁵ For most recent fiscal year. Turnover rate excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including Vanguard ETF Creation Units.

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BNDX

Expense ratio comparison ¹



Distribution by credit quality²

| | |
|-----------------|------|
| U.S. Government | 0.0% |
| Aaa | 20.6 |
| Aa | 26.4 |
| A | 23.7 |
| Baa | 29.3 |
| Less than Baa | 0.0 |

Ten largest market allocations as % of bonds

| | |
|----------------|-------|
| Japan | 16.9% |
| France | 12.1 |
| Germany | 9.7 |
| Italy | 7.6 |
| United Kingdom | 7.1 |
| Canada | 5.7 |
| Spain | 5.4 |
| United States | 4.3 |
| Netherlands | 4.1 |
| Australia | 3.1 |

Distribution by issuer

| | |
|----------------------------|------|
| Asset-Backed | 0.0% |
| Commercial Mortgage-Backed | 0.0 |
| Finance | 7.9 |
| Foreign | 79.1 |
| Government Mortgage-Backed | 0.0 |
| Industrial | 6.7 |
| Treasury/Agency | 0.0 |
| Utilities | 1.4 |
| Other | 4.9 |

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, 2019.

² Credit-quality ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). "NR" is used to classify securities for which a rating is not available. NR securities may include a fund's investment in Vanguard Market Liquidity Fund or Vanguard Municipal Cash Management Fund, each of which invests in high-quality money market instruments and may serve as a cash management vehicle for the Vanguard funds, trusts, and accounts. U.S. Treasury, U.S. Agency, and U.S. Agency mortgage-backed securities appear under "U.S. Government." Credit-quality ratings for each issue are obtained from Barclays using ratings derived from Moody's Investors Service (Moody's), Fitch Ratings (Fitch), and Standard & Poor's (S&P). When ratings from all three agencies are available, the median rating is used. When ratings are available from two of the agencies, the lower rating is used. When one rating is available, that rating is used.

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. Investments in bond ETF products are subject to interest rate, credit, and inflation risk. Investments in securities issued by non-U.S. companies are subject to risks including country/regional risk and currency risk.

Vanguard Total International Bond ETF is subject to currency hedging risk, which is the chance that currency hedging transactions may not perfectly offset the fund's foreign currency exposures and may eliminate any chance for a fund to benefit from favorable fluctuations in those currencies. The fund will incur expenses to hedge its currency exposures.

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For more information about Vanguard ETF Shares, visit 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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