

Vanguard U.S. Dividend Appreciation Index ETF

Trading information	
Ticker symbol	VGG
CUSIP	92206F105
SEDOL	BBX4812
ISIN	CA92206F1053
Index ticker	
Exchange	Toronto Stock Exchange
Currency	CAD
ETF facts	
Benchmark	S&P U.S. Dividend Growers Index
Distribution schedule	Quarterly
ETF total net assets	\$955 million
Inception date	August 2, 2013
Eligibility	RRSP, RRIF, RESP, TFSA, DPSP, RDSP, Non-reg
Management fee*	0.28%
MER†	0.30%

Objective

The fund seeks to track, to the extent reasonably possible and before fees and expenses, the performance of a U.S. equity index that measures the investment return of common stocks of U.S. companies that have a record of increasing dividends over time. Currently, this Vanguard ETF seeks to track the S&P U.S. Dividend Growers Index (or any successor thereto). It invests directly or indirectly primarily in stocks of U.S. companies.

About the benchmark

- The S&P U.S. Dividend Growers Index is a float adjusted market capitalization weighted index that consists of common stocks in the S&P United States BMI that have followed a policy of consistently increasing dividends every year for at least 10 years, subject to a dividend yield sustainability screen and a 4% company cap at the time of any rebalancing.

Performance summary

VGG year-end NAV calendar returns as of December 31, 2021.

	Net of expenses
2017	13.81%
2018	5.77%
2019	22.67%
2020	12.55%
2021	22.40%

Performance history

Total returns for period ending May 31, 2022

	3 months	Year to date	1 year	3 years	5 years	Since inception
VGG Market price return	-2.70%	-10.27%	5.12%	11.30%	10.63%	13.33%
VGG Net asset value (NAV) return	-2.64%	-10.24%	4.83%	11.32%	10.65%	13.34%
Benchmark return	-2.66%	-10.05%	4.92%	11.40%	10.68%	—

Performance of the benchmark reflects performance of the NASDAQ US Dividend Achievers Select Index through September 19, 2021; S&P U.S. Dividend Growers Index thereafter.

The performance of an index is not an exact representation of any particular investment as you cannot invest directly in an index. The performance of the index does not reflect the deduction of any expenses which would have reduced total returns. Performance information of the Vanguard fund reflects waivers of certain expenses and/or fees. If the Vanguard fund had incurred all expenses, investment returns would have been reduced. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all dividends or distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. The performance of the index and Vanguard fund is for illustrative purposes only.

Commissions, management fees, and expenses all may be associated with investment funds. Investment objectives, risks, fees, expenses, and other important information are contained in the prospectus; please read it before investing. Investment funds are not guaranteed, their values change frequently, and past performance may not be repeated. Vanguard funds are managed by Vanguard Investments Canada Inc. and are available across Canada through registered dealers.

* The management fee is equal to the fee paid by the Vanguard fund to Vanguard Investments Canada Inc., and does not include applicable taxes or other fees and expenses of the Vanguard fund. This Vanguard fund invests in underlying Vanguard fund(s) and there shall be no duplication of management fees chargeable in connection with the Vanguard fund and its investment in the Vanguard fund(s).

† The management expense ratio (MER) is the MER as of December 31, 2021, including waivers and absorptions and is expressed as an annualized percentage of the daily average net asset value. The MER would have been 0.30% without any absorptions or waivers. Vanguard Investments Canada Inc. expects to continue absorbing or waiving certain fees indefinitely but may, in its discretion, discontinue this practice at any time.

Vanguard U.S. Dividend Appreciation Index ETF

Information displayed is for the U.S.-domiciled Vanguard U.S. Dividend Appreciation ETF in which the fund primarily invests.

ETF characteristics

	VGG	Benchmark
Number of stocks	289	289
Median market cap	\$201.4B	\$201.4B
Price/earnings ratio	20.7x	20.7x
Price/book ratio	4.3x	4.3x
Return on equity	24.1%	24.2%
Earnings growth rate	15.7%	15.7%
Equity yield (dividend)	1.9%	1.9%

Top 10 holdings (% of net asset value)

	VGG
Johnson & Johnson	3.8%
Microsoft Corp.	3.8
UnitedHealth Group Inc.	3.8
JPMorgan Chase & Co.	3.2
Procter & Gamble Co.	2.9
Visa Inc.	2.8
Home Depot Inc.	2.6
Mastercard Inc.	2.5
Coca-Cola Co.	2.0
Broadcom Inc.	1.9
Total	29.3%

Volatility

	R-Squared	Beta	Tracking error
VGG	100.00%	1.00	0.51%

R-squared, beta and tracking error are calculated from the 36-month fund returns relative to the benchmark.

For more information contact:

Email (Canada): info-canada@vanguard.com

Tel (Canada): 888-293-6728

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All investments are subject to risk, including the possible loss of principal.

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Sector weighting

	VGG	Benchmark
Industrials	21.2%	21.3%
Health Care	15.2	15.2
Financials	15.1	15.1
Technology	13.5	13.5
Consumer Discretionary	12.9	12.8
Consumer Staples	10.4	10.5
Basic Materials	4.1	4.0
Utilities	4.0	4.0
Telecommunications	3.5	3.5
Energy	0.1	0.1
Other	0.0	0.0
Total	100.0%	100.0%

The sector allocations provided exclude any temporary cash investments. Sector categories are based on the Industry Classification Benchmark system ("ICB"), except for the "Other" category (if applicable), which includes securities that have not been provided an ICB classification as of the effective reporting period.