

Vanguard Tax-Managed Small-Cap Fund

Domestic stock fund | Admiral™ Shares

Fund facts

Risk level					Total net assets	Expense ratio as of 04/29/22	Ticker symbol	Turnover rate	Inception date	Fund number
Low ← → High										
1	2	3	4	5	\$7,334 MM	0.09%	VTMSX	10.5%	03/25/99	0116

Investment objective

Vanguard Tax-Managed Small-Cap Fund seeks to provide a tax-efficient investment return consisting of long-term capital appreciation.

Investment strategy

The fund invests in stocks included in the Standard & Poor's SmallCap 600 Index—an index that is made up of stocks of smaller U.S. companies. The fund will hold all or substantially all of the S&P SmallCap 600 Index stocks in approximately the same proportions as in the index.

General note

The inception date for the fund's Investor Shares was September 6, 1994; Investor Shares were renamed Admiral Shares on May 13, 2011.

For the most up-to-date fund data, please scan the QR code below.



Benchmark

S&P SmallCap 600 Index

Total returns

	Periods ended March 31, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
Returns before taxes						
Fund	2.50%	2.50%	-9.01%	21.42%	6.31%	9.84%
Benchmark	2.57%	2.57%	-8.82%	21.71%	6.30%	9.87%
Returns after taxes on distributions						
Fund			-9.39%	20.99%	5.96%	9.51%
Returns after taxes on distributions and sale of fund shares						
Fund			-5.13%	16.97%	4.89%	8.04%

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](https://www.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.

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

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Ten largest holdings*

1	Rambus Inc.	
2	Applied Industrial Technologies Inc.	
3	SPS Commerce Inc.	
4	Ensign Group Inc.	
5	Comfort Systems USA Inc.	
6	Academy Sports & Outdoors Inc.	
7	ATI Inc.	
8	Asbury Automotive Group Inc.	
9	Insight Enterprises Inc.	
10	Axcelis Technologies Inc.	
Top 10 as % of total net assets		5.7%

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

Sector Diversification



Industrials	17.5%	Materials	5.9
Financials	16.4	Consumer Staples	5.4
Consumer Discretionary	14.1	Energy	4.6
Information Tech	13.4	Communication Services	2.3
Health Care	10.9	Utilities	2.3
Real Estate	7.2	Other	0.0

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.

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Plain talk about risk

An investment in the fund could lose money over short or even long periods. You should expect the fund's share price and total return to fluctuate within a wide range, like the fluctuations of the overall stock market. The fund's performance could be hurt by:

Stock market risk: The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices. The fund's target index may, at times, become focused in stocks of a particular sector, category, or group of companies.

Investment style risk: The chance that returns from small-capitalization stocks will trail returns from the overall stock market. Historically, small-cap stocks have been more volatile in price than the large-cap stocks that dominate the overall market, and they often perform quite differently.

Note on frequent trading restrictions

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://www.vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

After-tax returns are calculated using the highest individual federal income tax rates in effect at the time of each distribution. They do not reflect the impact of state and local taxes. Your after-tax return depends on your individual tax situation and, therefore, may differ from the return presented here. If you own fund shares in a tax-deferred account such as an individual retirement account or 401(k) plan, this information does not apply to your investment because these accounts are not subject to current taxes. After-tax returns for Vanguard funds reflect the reduced tax rates on ordinary income, qualified dividend income, and short-term and long-term capital gains that went into effect in 2003. The fund's past performance—whether before or after taxes—does not guarantee future results. If a fund incurs a loss, which generates a tax benefit, the post-liquidation after-tax return may exceed the fund's other return figures. After-tax returns are quarter-end adjusted for fees. After-tax returns for most funds are calculated using the tax liability implied by each fund's declared distributions. However, the exact tax characteristics of many distributions are not known until after the close of the calendar year.

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