

# Vanguard Strategic Small-Cap Equity Fund

Domestic stock fund

## Fund facts

Risk level	Total net assets	Expense ratio as of 01/31/23	Ticker symbol	Turnover rate	Inception date	Fund number
Low <-----> High 1 2 3 4 5	\$1,392 MM	0.26%	VSTCX	71.7%	04/24/06	0615

## Investment objective

Vanguard Strategic Small-Cap Equity Fund seeks to provide long-term capital appreciation.

## Investment strategy

The fund invests in small-capitalization domestic equity securities based on the advisor's assessment of the relative return potential of the securities. The advisor selects securities that it believes offer an appropriate balance between strong growth prospects and reasonable valuations relative to their industry peers. The advisor does this by using a quantitative process to evaluate all of the securities in the fund's benchmark, the MSCI US Small Cap 1750 Index, while seeking to maintain a risk profile similar to that of the index. Under normal circumstances, at least 80% of the Fund's assets will be invested in small-cap equity securities.

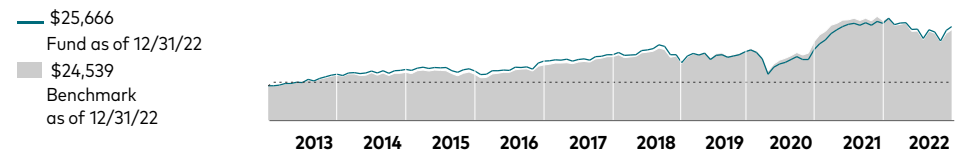
For the most up-to-date fund data, please scan the QR code below.



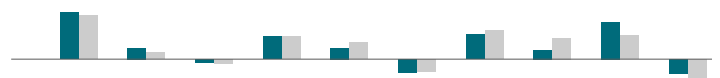
## Benchmark

MSCI US Small Cap 1750 Index

## Growth of a \$10,000 investment: January 31, 2013–December 31, 2022



## Annual returns



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Fund</b>	41.91	10.09	-3.11	20.64	10.33	-11.92	22.15	8.38	33.48	-12.95
<b>Benchmark</b>	39.09	6.09	-4.06	20.41	15.16	-10.99	25.86	19.18	21.08	-17.82

## Total returns

Periods ended June 30, 2023

	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	5.11%	8.60%	17.49%	18.40%	6.44%	9.78%
<b>Benchmark</b>	5.12%	8.86%	13.95%	14.06%	6.30%	9.34%

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://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.

MSCI US Small Cap 1750 Index: Tracks the stocks of approximately 1,750 small-capitalization companies in the U.S. market.

The fund held a subscription period from April 20, 2006 (the effective date of the fund) to April 24, 2006, during which time all assets were held directly or indirectly in money market instruments. Performance measurement began April 24, 2006.

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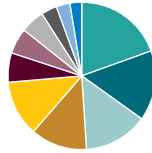
Domestic stock fund

## Ten largest holdings\*

1	EMCOR Group Inc.	
2	nVent Electric plc	
3	Tenet Healthcare Corp.	
4	Eagle Materials Inc.	
5	Allison Transmission Holdings Inc.	
6	Boyd Gaming Corp.	
7	MGIC Investment Corp.	
8	Tri Pointe Homes Inc.	
9	Ionis Pharmaceuticals Inc.	
10	Affiliated Managers Group Inc.	
Top 10 as % of total net assets		7.7%

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

## Sector Diversification



Industrials	19.5%	Energy	5.6
Financials	15.4	Materials	5.2
Health Care	14.0	Consumer Staples	3.5
Consumer Discretionary	12.5	Utilities	3.0
Information Tech	12.2	Communication Services	2.6
Real Estate	6.5	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 long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance:

**Stock market risk**, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

**Investment style risk**, which is the chance that returns from the small-capitalization stocks in which the fund invests 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. The stock prices of small companies tend to experience greater volatility because, among other things, these companies tend to be more sensitive to changing economic conditions.

**Manager risk**, which is the chance that poor security selection will cause the fund to underperform relevant benchmarks or other funds with a similar investment objective. The fund's advisor uses a quantitative process to evaluate securities and the fund can perform differently from the market as a whole as a result of the stock selection model.

## 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.

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