



Vanguard U.S. Opportunities Fund

Key fund facts

| | Inception date | Minimum initial investment | ISIN | SEDOL | Bloomberg |
|---------------------------|---|----------------------------|-------------------------------------|---|-----------|
| USD | | | | | |
| Investor | 01.07.2002 | 100,000 | IE00B03HCW31 | B03HCW3 | VANGUOA |
| Institutional | 08.04.2002 | 5,000,000 | IE00B03HCY54 | B03HCY5 | VANGUOD |
| EUR | | | | | |
| Investor | 04.12.2006 | 100,000 | IE00B03HCV24 | B03HCV2 | VANGUOE |
| GBP | | | | | |
| Investor | 19.12.2006 | 100,000 | IE00B1GHC616 | B1GHC61 | VANGUOG |
| Benchmark | | | | | |
| Russell 3000 Index | | | Index ticker RU30INTR | Trading frequency (cut-off) Daily (16:00 Irish Time) | |
| Domicile | | | Investment structure UCITS | Settlement T+3 | |
| Base currency | | | Total assets USD (million) 2,394 | | |
| Investment manager | The Vanguard Group, Inc. PRIMECAP Management Company | | | | |

Objective

The Fund seeks to provide long-term growth of capital by investing in stocks with above-average earnings growth potential that is not reflected in their current market prices.

Effective 3 March 2014, Vanguard U.S. Opportunities Fund is closed to all new accounts: existing shareholders can still make additional share purchases.

Investment strategy

The Fund invests mainly in US stocks, with an emphasis on companies that are considered to have prospects for rapid earnings growth. The Fund's Investment Manager, PRIMECAP Management Company ("PRIMECAP"), uses fundamental research to identify stocks that are expected to outperform the market over a three- to five-year time horizon and that are available at attractive prices relative to their fundamental values. The Fund has the flexibility to invest in companies of any size, but it mostly invests in small- and mid-cap stocks.

Performance summary*

USD—Vanguard U.S. Opportunities Fund

| | Investor shares Net of expenses | Institutional shares Net of expenses |
|-----------------|------------------------------------|---|
| May 2012 – 2013 | 37.78% | 37.86% |
| May 2013 – 2014 | 26.33 | 26.45 |
| May 2014 – 2015 | 19.20 | 19.32 |
| May 2015 – 2016 | -0.62 | -0.52 |
| May 2016 – 2017 | 28.80 | 28.92 |

Ongoing charges**

| | Ongoing Charges | Preset dilution levy on subscriptions | Preset dilution levy on redemptions |
|---------------|-----------------|---------------------------------------|-------------------------------------|
| Investor | 0.95 % | — | — |
| Institutional | 0.85 % | — | — |

Performance*

USD—Vanguard U.S. Opportunities Fund

Benchmark—Russell 3000 Index

| | Investor shares | | | Institutional shares | | |
|-----------------|-----------------|-------------------|-----------|----------------------|-------------------|-----------|
| | Net of expenses | Gross of expenses | Benchmark | Net of expenses | Gross of expenses | Benchmark |
| 1 month | 3.12% | 3.20% | 0.96% | 3.13 % | 3.20% | 0.96% |
| 3 months | 7.01 | 7.26 | 2.02 | 7.03 | 7.26 | 2.02 |
| Year to date | 13.22 | 13.67 | 7.70 | 13.27 | 13.67 | 7.70 |
| 1 year | 28.80 | 30.02 | 17.00 | 28.92 | 30.02 | 17.00 |
| 3 years | 15.12 | 16.22 | 9.04 | 15.24 | 16.22 | 9.04 |
| 5 years | 21.57 | 22.73 | 14.59 | 21.69 | 22.72 | 14.59 |
| 10 years | 11.77 | 12.84 | 6.32 | 11.89 | 12.84 | 6.32 |
| Since inception | 15.57 | 16.68 | 8.20 | 14.02 | 15.00 | — |

Key investment risks - The value of investments, and the income from them, may fall or rise and investors may get back less than they invested. Where investments are made in assets that are denominated in multiple currencies changes in exchange rates may affect the value of the investments.

*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. The performance data does not take account of the commissions and costs incurred in the issue and redemption of shares. Basis of fund performance NAV to NAV with gross income reinvested. Basis of index performance is total return.

**The Ongoing Charges Figure (OCF) covers administration, audit, depository, legal, registration and regulatory expenses incurred in respect of the Funds.

This document is for Professional Investors only, as defined under MiFID and should not be distributed to, or relied upon by retail investors.

Vanguard U.S. Opportunities Fund

Characteristics

| | Fund | Benchmark |
|-------------------------|---------|-----------|
| Number of stocks | 203 | 2,925 |
| Median market cap | \$23.7B | \$62.4B |
| Price/earnings ratio | 60.3x | 26.7x |
| Price/book ratio | 3.5x | 2.8x |
| Return on equity | 6.6% | 25.4% |
| Earnings growth rate | 17.8% | 9.9% |
| Non-US holdings | 0.9% | — |
| Cash investments | 3.7% | — |
| Turnover rate | -35% | — |
| Equity yield (dividend) | 0.8% | 1.9% |

The PTR (Portfolio Turnover Rate) approach considers the total security purchases and sales, the total subscriptions and redemptions and the average net assets of the fund to calculate the turnover figure. Data as at 31 March 2017.

Top 10 holdings

| | Fund |
|------------------------|-------|
| ABIOMED Inc. | 3.7% |
| Eli Lilly & Co. | 3.7 |
| Seattle Genetics Inc. | 3.5 |
| Southwest Airlines Co. | 3.3 |
| Alphabet Inc. | 2.6 |
| Nektar Therapeutics | 2.6 |
| Delta Air Lines Inc. | 2.1 |
| NVIDIA Corp. | 2.0 |
| Flex Ltd. | 2.0 |
| Micron Technology Inc. | 1.8 |
| Total | 27.3% |

Top 10 Holdings for actively managed funds are published quarterly.

Weighted exposure

| | Fund | Benchmark |
|----------------------------|--------|-----------|
| Consumer Discretionary | 13.0% | 12.9% |
| Consumer Staples | 0.9 | 8.4 |
| Energy | 0.3 | 5.5 |
| Financials | 6.6 | 14.3 |
| Health Care | 27.6 | 13.4 |
| Industrials | 18.4 | 10.7 |
| Information Technology | 30.9 | 22.1 |
| Materials | 0.7 | 3.3 |
| Real Estate | 0.1 | 4.0 |
| Telecommunication Services | 1.3 | 2.1 |
| Utilities | 0.0 | 3.3 |
| Total | 100.0% | 100.0% |

For more information contact your local sales team or:

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Vanguard Investment Series plc has been authorised by the Central Bank of Ireland as a UCITS and has been registered for public distribution in certain EU countries. Prospective investors are referred to the Funds' prospectus for further information. Prospective investors are also urged to consult their own professional advisers on the implications of making an investment in, and holding or disposing shares of the Funds and the receipt of distributions with respect to such shares under the law of the countries in which they are liable to taxation.

The Manager of Vanguard Investment Series plc is Vanguard Group (Ireland) Limited. Vanguard Asset Management, Limited is a distributor of Vanguard Investment Series plc.

For further information on the fund's investment policy, please refer to the Key Investor Information Document ("KIID"). The KIID and the Prospectus for this fund are available in local languages from Vanguard Asset Management, Limited via our website <https://global.vanguard.com/>.

The fund(s) may invest in financial derivative instruments that could increase or reduce exposure to underlying assets and result in greater fluctuations of the fund's Net Asset Value. Some derivatives give rise to increased potential for loss where the fund's counterparty defaults in meeting its payment obligations.

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