



Vanguard Canadian Short-Term Corporate Bond Index ETF (the "Fund")

PFIC Annual Information Statement

PFIC Information

IMPORTANT TAX NOTICE TO U.S. UNITHOLDERS OF FUND

This statement is provided for the benefit of unitholders who are United States persons for purposes of the U.S. Internal Revenue Code of 1986, as amended ("Code") and the Treasury Regulations thereunder. United States persons include U.S. citizens (whether or not they are U.S. residents), certain individuals with U.S. permanent resident status, U.S. corporations, U.S. partnerships and certain U.S. trusts and estates. Investors in the Fund should consult with their own U.S. tax professionals to determine whether they are United States persons.

The Fund may be deemed to be classified as a Passive Foreign Investment Company ("PFIC") as defined in Code Section 1297(a) for its U.S. tax year ended December 31, 2024.

The attached PFIC Annual Information Statement is being provided pursuant to the requirements of Treasury Regulation Section 1.1295-1(g)(1). The PFIC Annual Information Statement contains information to enable you, should you so choose based on the advice of your own tax advisors in light of your personal tax circumstances, to elect to treat the Fund as a qualified electing fund ("QEF") for its U.S. tax year ended December 31, 2024. Investors are generally required to report QEF elections for PFICs having tax years that end during or on the same date as their own U.S. tax year-end. Once a QEF election is made, the election is generally effective for the election year and all subsequent taxable years of a U.S. unitholder unless invalidated, terminated or revoked in accordance with the Treasury Regulations.

A U.S. unitholder who makes a QEF election is required to annually include in his or her income his or her pro-rata share of the ordinary earnings and net capital gain of the Fund, whether or not that fund distributes any amounts to its shareholders. While the choice of whether the QEF election is appropriate for you will depend on your personal circumstances, please note that the QEF election is the only way that appreciation in the value of the Fund can be eligible for U.S. taxation at the more favourable capital gains rates.

The QEF election is made on Form 8621 ("Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund") on or before the due date, including extensions, for the income tax return of the U.S. unitholder with respect to the first tax year to which the election relates. Unitholders who are United States persons are required to report their holdings of the Fund (if the Fund is classified as a PFIC) on Form 8621 whether or not they make the QEF election. Where a United States person is a unitholder in a fund that holds other Vanguard funds in its portfolio, that person is an indirect investor in the lower-tier funds and is required to file a separate Form 8621 report for each of the lower-tier funds that constitutes a PFIC. The attached information is designed to enable a unitholder to make a QEF election for both directly held top-tier and indirectly held lower-tier funds.

Further information on PFIC rules and the QEF election is available from the Internal Revenue Service, including the following website: www.irs.gov/instructions/i8621/ch01.html

Important information:

This information is provided in order to assist unitholders in making calculations and does not constitute tax advice. The U. S. tax laws regarding PFICs are extremely complex and unitholders are advised to consult their own tax advisors concerning the overall tax consequences of their respective investment in, and ownership of units of the Fund under United States federal, state, local and foreign law. This material is for informational purposes only. This material is not research, investment, legal or tax advice, and is not an implied or express recommendation, offer or solicitation to buy or sell any security or to adopt any particular investment or portfolio strategy. Any views and opinions expressed do not take into account the particular investment objectives, needs, restrictions and circumstances of a specific investor and, thus, should not be used as the basis of any specific investment decision. Please consult your own financial and/or tax advisor for financial and/or tax information applicable to your specific situation.

PFIC Annual Information Statement

- (1) For the taxable year ended December 31, 2024.
- (2) This information statement applies to the taxable year of Vanguard Canadian Short-Term Corporate Bond Index ETF (the "Fund") commencing on January 1, 2024 and ending on December 31, 2024.
- (3) The pro-rata per-unit per-day shares of the ordinary earnings and net capital gains of the Fund for the period specified in paragraph (2), and the per-unit amounts distributed by the Fund are provided in the table.

Fund	Ordinary earnings (USD)	Net capital gains (USD)	Cash/property distributions (USD)
Vanguard Canadian Short-Term Corporate Bond Index ETF	0.0012673863	0.0000000000	0.6202455944

- (4) The Fund named above will, upon receipt of request, permit the U.S. unitholder to inspect and copy the Fund's permanent books of account, records, and other such documents as may be maintained by the Fund to establish its respective ordinary earnings and net capital gains under U.S. income tax principles, and to verify these amounts and the pro-rata shares thereof.

Here is an example to illustrate the calculation using the per-unit per-day factors:

Mr. Jones owned 100 units of Fund A from the period January 1, 2024 through June 27, 2024. He purchased another 100 units of Fund A on June 28, 2024. Mr. Jones did not sell any units of the fund at any time during the year.

The Fund's ordinary earnings were \$0.0005 per unit per day.

Result: Mr. Jones' ordinary earnings for 2024 are $(\$0.0005 * 179 \text{ days} * 100) + (\$0.0005 * 187 \text{ days} * 200) = \27.65

By: Vanguard Investments Canada Inc.

Date: March 14, 2025

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.

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