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PRESS RELEASE

VANGUARD FORGES NEW RELATIONSHIP WITH RS INVESTMENTS

VALLEY FORGE, PA (December 5, 2016)—Vanguard announced today that Victory Capital Management Inc., through its RS Investments team, will serve as a manager of the \$4 billion Vanguard Mid-Cap Growth Fund. Effective today, the firm will manage the 50% of the fund previously managed by Chartwell Investment Partners, LLC.

Victory's RS Investments is located in San Francisco, California. RS Investments employs a team-based approach and utilizes a fundamental, bottom-up stock research and selection process. The team's investment strategy is rooted in deep fundamental analysis to identify the drivers of sustainable, long-term growth. Scott Tracy, CFA, chief investment officer of the eight-person RS Investments Growth Team, will serve as co-portfolio manager along with Steve Bishop, Melissa Chadwick-Dunn, and Chris Clark, CFA.

Victory, through RS Investments, is the newest addition to Vanguard's roster of now 30 external investment advisory firms. Along with mandates overseen by Vanguard's internal Fixed Income Group and Quantitative Equity Group, Vanguard now manages more than \$1 trillion in active fund assets.

"Vanguard has a meaningful legacy in the world of active management, stretching back to the 1929 launch of the Wellington Fund," said Vanguard CEO Bill McNabb. "We seek to select and retain the industry's leading investment firms and we welcome the addition of Victory's RS Investments team as a complement to our deep and broad roster of active managers."

Additionally, modifications have been made to the \$10.8 billion Vanguard Explorer Fund. The majority of the portfolio formerly managed by Chartwell (7%) will be apportioned to Arrowpoint Asset Management and Stephens Investment Management Group, two existing advisors of the fund. Following the transition, the new manager allocation of the fund is expected to be as follows: Wellington Management Company, 34%; Arrowpoint, 15%; Granahan Investment Management, 13%; Kalmar Investment Advisers, 13%; Stephens, 12%; and Quantitative Equity Group, 11%; with the remaining 2% in cash.

The investment objectives and principal investment strategies of the Mid-Cap Growth and Explorer Funds will remain the same, and the expense ratios of the funds are not expected to be affected by the changes. After careful consideration, the funds' board of trustees determined that the management teams are now configured to a combination of investment approach, expertise, and resources to better serve shareholders going forward.

Vanguard first adopted the multi-manager approach in 1987, with the goals of providing the potential for long-term outperformance, reducing portfolio volatility, and mitigating manager risk. Currently, 18 of Vanguard's actively managed U.S.-domiciled equity funds employ this strategy.

About Vanguard

Vanguard is one of the world's largest investment management companies. As of October 31, 2016, Vanguard managed more than \$3.8 trillion in global assets. The firm, headquartered in Valley Forge, Pennsylvania, offers more than 350 funds to its more than 20 million investors worldwide. For more information, visit vanguard.com.

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All asset figures as of October 31, unless otherwise noted.

For more information about Vanguard funds, visit vanguard.com or call 800-662-7447 to obtain a prospectus or, if available, a summary prospectus. Investment objectives, risks, charges, expenses, and other important information about a fund are contained in the prospectus; read and consider it carefully before investing.

All investing is subject to risk, including the possible loss of money you invest.

Prices of mid- and small-cap stocks often fluctuate more than those of large-company stocks.

Vanguard Marketing Corporation, Distributor.