

# VCEB

## Vanguard ESG U.S. Corporate Bond ETF

### Fund Description

VCEB tracks an index of US investment-grade corporate bonds of varying maturities, selected based on certain ESG traits provided by MSCI ESG research.

### FactSet Analyst Report

VCEB is Vanguard's first move into the ESG fixed income markets. The fund includes USD-denominated bonds with various maturities. The fund's parent index, Bloomberg U.S. Corporate Index, represents the broad US investment-grade corporates, so expect similar exposure to VTC but with a positive ESG screen. MSCI will provide the ESG research and exclude firms that do not meet certain diversity criteria on their board and those that do not meet controversy assessment standards related to environmental, labor and human rights, as well as governance. Firms that derive threshold amounts of revenue from adult entertainment, alcohol, gambling, tobacco, nuclear power/weapons, civilian firearms, genetically modified organisms, thermal coal, oil, or gas are excluded. Moreover, firms must be adhering to the United Nations Global Compact Principles to be considered for inclusion.