Vanguard Inflation-Protected Securities Fund

Bond fund | Institutional Shares

Fund facts

<table>
<thead>
<tr>
<th>Risk level</th>
<th>Total net assets</th>
<th>Expense ratio as of 04/28/20</th>
<th>Ticker symbol</th>
<th>Turnover rate as of 12/31/19</th>
<th>Inception date</th>
<th>Fund number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low 1</td>
<td>$10,708 MM</td>
<td>0.07%</td>
<td>VPIX</td>
<td>25.8%</td>
<td>12/12/03</td>
<td>1190</td>
</tr>
</tbody>
</table>

Investment objective

Vanguard Inflation-Protected Securities Fund seeks to provide investors inflation protection and income consistent with investment in inflation-indexed securities.

Investment strategy

The fund invests at least 80% of its assets in inflation-indexed bonds issued by the U.S. government, its agencies and instrumentalities, and corporations. The fund may invest in bonds of any maturity; however, its dollar-weighted average maturity is expected to be in a range of 7 to 20 years. At a minimum, all bonds purchased by the fund will be rated “investment grade” or, if unrated, will be considered by the advisor to be investment grade.

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

Benchmark

BloomBarc US Trsy Inflat Prtcd Idx

Growth of a $10,000 investment: January 31, 2010—December 31, 2019

Annual returns

Total returns

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.

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.

Distribution by issuer—bonds

<table>
<thead>
<tr>
<th>Distribution</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasury/Agency</td>
<td>100.0%</td>
</tr>
<tr>
<td>Asset-Backed</td>
<td>0.0%</td>
</tr>
<tr>
<td>Commercial Mortgage-Backed</td>
<td>0.0%</td>
</tr>
<tr>
<td>Finance</td>
<td>0.0%</td>
</tr>
<tr>
<td>Foreign</td>
<td>0.0%</td>
</tr>
<tr>
<td>Government Mortgage-Backed</td>
<td>0.0%</td>
</tr>
<tr>
<td>Industrial</td>
<td>0.0%</td>
</tr>
<tr>
<td>Utilities</td>
<td>0.0%</td>
</tr>
</tbody>
</table>
Plain talk about risk

An investment in the fund could lose money over short or even long periods. You should expect the fund’s share price and total return to fluctuate within a wide range, like the fluctuations of the overall bond market. The fund’s performance could be hurt by:

**Income fluctuations:** The fund’s quarterly income distributions are likely to fluctuate considerably more than the income distributions of a typical bond fund. Income fluctuations associated with changes in interest rates are expected to be low; however, income fluctuations associated with changes in inflation are expected to be high. Overall, investors can expect income fluctuations to be high for the fund.

**Interest rate risk:** The chance that bond prices will decline because of rising interest rates. Although inflation-indexed bonds seek to provide inflation protection, their prices may decline when interest rates rise and vice versa. Because the fund’s dollar-weighted average maturity is expected to be in the range of 7 to 20 years, interest rate risk is expected to be moderate to high for the fund.

**Manager risk:** The chance that poor security selection will cause the fund to underperform relevant benchmarks or other funds with a similar investment objective.

**Derivatives risk:** The chance that investments in derivatives may involve risks different from, and possibly greater than, those of investments in the underlying securities, assets, or market indexes.

**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 for your employer plans or contact Participant Services at 800-523-1188 for additional information.

**Credit-quality ratings**

Credit-quality ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). “NR” is used to classify securities for which a rating is not available. NR securities may include a fund’s investment in Vanguard Market Liquidity Fund or Vanguard Municipal Cash Management Fund, each of which invests in high-quality money market instruments and may serve as a cash management vehicle for the Vanguard funds, trusts, and accounts. U.S. Treasury, U.S. Agency, and U.S. Agency mortgage-backed securities appear under “U.S. Government.” Credit-quality ratings for each issue are obtained from Barclays using ratings derived from Moody’s Investors Service (Moody’s), Fitch Ratings (Fitch), and Standard & Poor’s (S&P). When ratings from all three agencies are available, the median rating is used. When ratings are available from two of the agencies, the lower rating is used. When one rating is available, that rating is used.

While U.S. Treasury or government agency securities provide substantial protection against credit risk, they do not protect investors against price changes due to changing interest rates. Unlike stocks and bonds, U.S. Treasury bills are guaranteed as to the timely payment of principal and interest.

**For more information about Vanguard funds or to obtain a prospectus, see below for which situation is right for you.**

**If you receive your retirement plan statement from Vanguard or log on to Vanguard’s website to view your plan, visit vanguard.com or call 800-523-1188.**

**If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper’s website that is not Vanguard to view your plan, please call 855-402-2646.**

Visit vanguard.com 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.

Financial advisor clients: For more information about Vanguard funds, contact your financial advisor to obtain a prospectus.