



Vanguard Health Care Fund

Sector fund | Admiral™ Shares

Fund facts

| Risk level | | | | | Total net assets | Expense ratio as of 05/24/24 | Ticker symbol | Turnover rate | Inception date | Fund number |
|------------------|---|---|---|---|------------------|------------------------------|---------------|---------------|----------------|-------------|
| Low <-----> High | | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | \$32,983 MM | 0.30% | VGHAX | 29.0% | 11/12/01 | 0552 |

Investment objective

Vanguard Health Care Fund seeks to provide long-term capital appreciation.

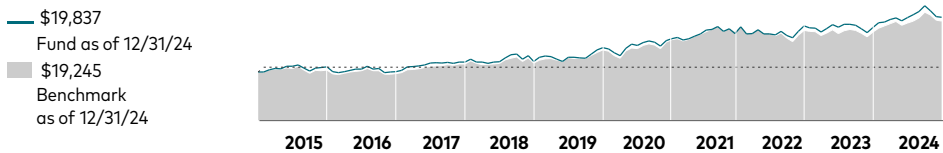
Investment strategy

The fund invests at least 80% of its assets in the stocks of companies principally engaged in the development, production, or distribution of products and services related to the health care industry. These companies include, among others, pharmaceutical firms, medical supply companies, and businesses that operate hospitals and other health care facilities. The fund also considers companies engaged in medical, diagnostic, biochemical, and other research and development activities. The fund's advisor strives for a balanced representation of the health care field, searching for the best values in the various subsectors of the industry. The fund may invest up to 50% of its assets in foreign stocks.

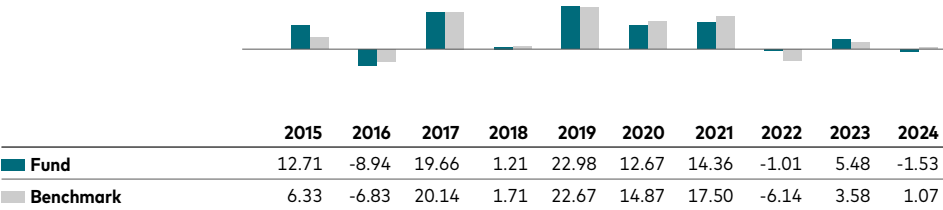
Benchmark

Spliced Health Care Index

Growth of a \$10,000 investment : January 31, 2015—December 31, 2024



Annual returns



Total returns

| Periods ended March 31, 2025 | | | | | | |
|------------------------------|---------|--------------|----------|-------------|------------|-----------|
| | Quarter | Year to date | One year | Three years | Five years | Ten years |
| Fund | 0.64% | 0.64% | -5.70% | 2.21% | 8.41% | 6.39% |
| Benchmark | 4.95% | 4.95% | -0.91% | 2.34% | 9.45% | 6.68% |

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](https://www.vanguard.com/performance). The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index. 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.

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Ten largest holdings*

| | | |
|---------------------------------|-----------------------------|-------|
| 1 | Eli Lilly & Co. | |
| 2 | UnitedHealth Group Inc. | |
| 3 | AstraZeneca plc | |
| 4 | Merck & Co. Inc. | |
| 5 | Vertex Pharmaceuticals Inc. | |
| 6 | Novo Nordisk A/S | |
| 7 | Boston Scientific Corp. | |
| 8 | Edwards Lifesciences Corp. | |
| 9 | Novartis AG | |
| 10 | Danaher Corp. | |
| Top 10 as % of total net assets | | 50.2% |

* The holdings listed exclude any temporary cash investments and equity index products.

Sector Diversification



| | | | |
|--------------------------------|-------|--------------------------|-----|
| Pharmaceuticals | 43.2% | Health Care Facilities | 2.6 |
| Biotechnology | 19.4 | Health Care Distributors | 1.3 |
| Health Care Equipment | 13.0 | Health Care Supplies | 0.8 |
| Managed Health Care | 12.3 | Health Care Services | 0.7 |
| Life Sciences Tools & Services | 6.5 | Health Care Technology | 0.2 |

Sector categories are based on the Global Industry Classification Standard ("GICS"), except for the "Other" category (if applicable), which includes securities that have not been provided a GICS classification as of the effective reporting period.

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Plain talk about risk

An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance:

Industry concentration risk, which is the chance that there will be particular problems affecting an entire industry. Any fund that concentrates in a particular industry will generally be more volatile than a fund that invests more broadly. Because the fund normally invests at least 80% of its assets in the stocks of companies related to the health care industry, the fund's performance largely depends—for better or for worse—on the overall condition of this industry. The health care industry could be adversely affected by various political, regulatory, supply-and-demand, and other economic factors.

Stock market risk, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The fund's investments in foreign stocks can be riskier than U.S. stock investments. Foreign stocks may be more volatile and less liquid than U.S. stocks. The prices of foreign stocks and the prices of U.S. stocks may move in opposite directions.

Asset concentration risk, which is the chance that, because the fund tends to invest a high percentage of assets in its ten largest holdings, the fund's performance may be hurt disproportionately by the poor performance of relatively few stocks.

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

Country risk, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of securities issued by companies in foreign countries.

Currency risk, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates.

Nondiversification risk, which is the chance that the fund's performance may be hurt disproportionately by the poor performance of relatively few stocks or even a single stock. The fund is considered nondiversified, which means that it may invest a greater percentage of its assets in the securities of particular issuers as compared with diversified mutual funds.

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](https://www.vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

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](https://www.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](https://www.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.

Investment Products: Not FDIC Insured • No Bank Guarantee • May Lose Value