Vanguard Total Bond Market Index Fund

Bond fund | Admiral™ 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>$116,341 MM</td>
<td>0.05%</td>
<td>VBTLX</td>
<td>30.8%</td>
<td>11/12/01</td>
<td>0584</td>
</tr>
</tbody>
</table>

Investment objective

Vanguard Total Bond Market Index Fund seeks to track the performance of a broad, market-weighted bond index.

Investment strategy

The fund employs an indexing investment approach designed to track the performance of the Bloomberg Barclays U.S. Aggregate Float Adjusted Bond Index. This index measures a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities, all with maturities of more than 1 year. The fund invests by sampling the index, meaning that it holds a range of securities that, in the aggregate, approximate the full index in terms of key risk factors and other characteristics. All of the fund’s investments will be selected through the sampling process, and at least 80% of the fund’s assets will be invested in bonds held in the index. The fund maintains a dollar-weighted average maturity consistent with that of the index, which currently ranges between 5 and 10 years.

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

Benchmark

Spliced Bloomberg Barclays U.S. Aggregate Bond Index

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

<table>
<thead>
<tr>
<th>Fund as of 12/31/19</th>
<th>Benchmark as of 12/31/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>$14,132</td>
<td>$14,268</td>
</tr>
</tbody>
</table>

Annual returns

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

Total returns

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Year to date</th>
<th>One year</th>
<th>Three years</th>
<th>Five years</th>
<th>Ten years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund</td>
<td>2.98%</td>
<td>6.35%</td>
<td>8.96%</td>
<td>5.34%</td>
<td>4.31%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>3.03%</td>
<td>6.30%</td>
<td>8.92%</td>
<td>5.40%</td>
<td>4.37%</td>
</tr>
</tbody>
</table>

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

- Treasury/Agency 41.6%
- Government Mortgage-Backed 21.8%
- Industrial 17.8%
- Finance 8.9%
- Foreign 4.8%
- Utilities 2.3%
- Commercial Mortgage-Backed 2.2%
- Asset-Backed 0.4%
- Other 0.2%
Vanguard Total Bond Market Index Fund
Bond fund | Admiral™ Shares

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:

Interest rate risk: The chance that bond prices will decline because of rising interest rates. Interest rate risk should be moderate for the fund because it invests primarily in short- and intermediate-term bonds, whose prices are less sensitive to interest rate changes than are the prices of long-term bonds.

Income risk: The chance that the fund’s income will decline because of falling interest rates.

Prepayment risk: The chance that during periods of falling interest rates, homeowners will refinance their mortgages before their maturity dates, resulting in prepayment of mortgage-backed securities held by the fund. The fund would then lose any price appreciation above the mortgage’s principal and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the fund’s income.

Extension risk: The chance that during periods of rising interest rates, certain debt obligations will be paid off substantially more slowly than originally anticipated, and the value of those securities may fall. For funds that invest in mortgage-backed securities, extension risk is the chance that during periods of rising interest rates, homeowners will prepay their mortgages at slower rates.

Credit risk: The chance that a bond issuer will fail to pay interest or principal in a timely manner or that negative perceptions of the issuer’s ability to make such payments will cause the price of that bond to decline. Credit risk should be low for the fund because it purchases only bonds that are of investment-grade quality.

Call risk: The chance that during periods of falling interest rates, issuers of callable bonds may call (redeem) securities with higher coupon rates or interest rates before their maturity dates. The fund would then lose any price appreciation above the bond’s call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the fund’s income.

Index sampling risk: The chance that the securities selected for the fund, in the aggregate, will not provide investment performance matching that of the index. Index sampling risk for the fund should be low.

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 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.

BLOOMBERG is a trademark and service mark of Bloomberg Finance L.P. BARCLAYS® is a trademark and service mark of Barclays Bank Plc. used under license. Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited (“BISL”) (collectively, “Bloomberg”), or Bloomberg’s licensors own all proprietary rights in the Bloomberg Barclays Indices. The products are not sponsored, endorsed, issued, sold or promoted by “Bloomberg or Barclays”. Bloomberg and Barclays make no representation or warranty, express or implied, to the owners or purchasers of the products or any member of the public regarding the advisability of investing in securities generally or in the products particularly or the ability of the Bloomberg Barclays Indices to track general bond market performance. Neither Bloomberg nor Barclays has passed on the legality or suitability of the products with respect to any person or entity. Bloomberg’s only relationship to Vanguard and the products are the licensing of the Bloomberg Barclays Indices which are determined, composed and calculated by BISL without regard to Vanguard or the products or any owners or purchasers of the products. Bloomberg has no obligation to take the needs of the products or the owners of the products into consideration in determining, composing or calculating the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays is responsible for and has not participated in the determination of the timing of, prices at, or quantities of the products to be issued. Neither Bloomberg nor Barclays has any obligation or liability in connection with the administration, marketing or trading of the products.

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.