



Vanguard[®]



Annual Report | January 31, 2018

Vanguard Dividend Appreciation Index Fund

Vanguard’s Principles for Investing Success

We want to give you the best chance of investment success. These principles, grounded in Vanguard’s research and experience, can put you on the right path.

Goals. Create clear, appropriate investment goals.

Balance. Develop a suitable asset allocation using broadly diversified funds.

Cost. Minimize cost.

Discipline. Maintain perspective and long-term discipline.

A single theme unites these principles: Focus on the things you can control. We believe there is no wiser course for any investor.

Contents

Your Fund’s Performance at a Glance.	1
CEO’s Perspective.	3
Results of Proxy Voting.	6
Fund Profile.	8
Performance Summary.	10
Financial Statements.	13
Your Fund’s After-Tax Returns.	30
About Your Fund’s Expenses.	31
Glossary.	33

Please note: The opinions expressed in this report are just that—informed opinions. They should not be considered promises or advice. Also, please keep in mind that the information and opinions cover the period through the date on the front of this report. Of course, the risks of investing in your fund are spelled out in the prospectus.

See the Glossary for definitions of investment terms used in this report.

About the cover: Nautical images have been part of Vanguard’s rich heritage since its start in 1975. For an incoming ship, a lighthouse offers a beacon and safe path to shore. You can similarly depend on Vanguard to put you first—and light the way—as you strive to meet your financial goals. Our client focus and low costs, stemming from our unique ownership structure, assure that your interests are paramount.

Your Fund's Performance at a Glance

- Vanguard Dividend Appreciation Index Fund returned about 26% for the 12 months ended January 31, 2018. It closely tracked its benchmark, the NASDAQ US Dividend Achievers Select Index, and outpaced the average return of its large-capitalization core fund peers.
- The target index consists of the stocks of companies that have a record of increasing dividends over time.
- Stocks with growing dividend payments posted strong returns over the fiscal year, outpacing the results of the broad U.S. market.
- Eight of the industry sectors represented in the fund had positive results. Industrials, the fund's largest sector, was the top contributor, followed by technology and health care. Telecommunications and oil & gas were the only detractors.
- For the ten years ended January 31, the fund's Investor Shares posted an average annual return of 9.44%, in line with the fund's benchmark and well ahead of its peer average.

Total Returns: Fiscal Year Ended January 31, 2018

	Total Returns
Vanguard Dividend Appreciation Index Fund	
Investor Shares	26.02%
ETF Shares	
Market Price	26.15
Net Asset Value	26.10
Admiral™ Shares	26.11
NASDAQ US Dividend Achievers Select Index	26.19
Large-Cap Core Funds Average	24.78

Large-Cap Core Funds Average: Derived from data provided by Lipper, a Thomson Reuters Company.

The Vanguard ETF® Shares shown are traded on the NYSE Arca exchange and are available only through brokers. The table provides ETF returns based on both the NYSE Arca market price and the net asset value for a share. U.S. Pat. Nos. 6,879,964; 7,337,138; 7,720,749; 7,925,573; 8,090,646; and 8,417,623.

For the ETF Shares, the market price is determined by the midpoint of the bid-offer spread as of the closing time of the New York Stock Exchange (generally 4 p.m., Eastern time). The net asset value is also determined as of the NYSE closing time. For more information about how the ETF Shares' market prices have compared with their net asset value, visit vanguard.com, select your ETF, and then select the Price and Performance tab. The ETF premium/discount analysis there shows the percentages of days on which the ETF Shares' market price was above or below the NAV.

Total Returns: Ten Years Ended January 31, 2018

	Average Annual Return
Dividend Appreciation Index Fund Investor Shares	9.44%
NASDAQ US Dividend Achievers Select Index	9.67
Large-Cap Core Funds Average	8.32

Large-Cap Core Funds Average: Derived from data provided by Lipper, a Thomson Reuters Company.

The figures shown represent past performance, which is not a guarantee of future results. (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.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.

Expense Ratios

Your Fund Compared With Its Peer Group

	Investor Shares	ETF Shares	Admiral Shares	Peer Group Average
Dividend Appreciation Index Fund	0.17%	0.08%	0.08%	1.07%

The fund expense ratios shown are from the prospectus dated May 25, 2017, and represent estimated costs for the current fiscal year. For the fiscal year ended January 31, 2018, the fund's expense ratios were 0.15% for Investor Shares, 0.08% for ETF Shares, and 0.08% for Admiral Shares. The peer-group expense ratio is derived from data provided by Lipper, a Thomson Reuters Company, and captures information through year-end 2017.

Peer group: Large-Cap Core Funds.

CEO's Perspective



Tim Buckley
President and Chief Executive Officer

Dear Shareholder,

When you start a new job, it's natural to reflect on both the past and the future. And so it is in my case, having begun my service as just the fourth chief executive in Vanguard's history.

I feel extremely fortunate to have the chance to lead a company filled with people who come to work every day passionate about Vanguard's core purpose: to take a stand for all investors, to treat them fairly, and to give them the best chance for investment success.

Making a real difference

When I joined Vanguard in 1991, I found a mission-driven team focused on improving lives—helping people retire more comfortably, put their children through college, and achieve financial security. I found a company with purpose in an industry ripe for improvement.

It was clear, even early in my career, that the cards were stacked against most investors. Hidden fees, performance-chasing, and poor advice were relentlessly eroding investors' dreams.

We knew Vanguard could be different and, as a result, could make a real difference. Over the past 25 years, for example, Vanguard has lowered our funds' asset-weighted average expense ratio

from 0.31% to 0.12%. And over the past decade, 94% of our funds have beaten the average annual return of their peers.¹

Focused on your success

Vanguard is built for Vanguard investors—as a client-owned company, we focus solely on you, our fund shareholders. Everything we do is designed to give our clients the best chance for investment success. In my new role as CEO, I intend to keep this priority front and center. We're proud of what we've achieved, but we're even more excited about what's to come.

As I write this, we've experienced a period of pronounced market volatility. Strong economic growth and budding signs of inflation have raised concerns about a more aggressive Federal Reserve. Although volatility can test investors' nerves, we sometimes think of this as "Vanguard weather"—a time when having a disciplined, low-cost, and long-term approach to investment management serves investors well.

Market Barometer

	Average Annual Total Returns Periods Ended January 31, 2018		
	One Year	Three Years	Five Years
Stocks			
Russell 1000 Index (Large-caps)	25.84%	14.28%	15.72%
Russell 2000 Index (Small-caps)	17.18	12.12	13.33
Russell 3000 Index (Broad U.S. market)	25.16	14.11	15.53
FTSE All-World ex US Index (International)	29.63	10.20	7.48
Bonds			
Bloomberg Barclays U.S. Aggregate Bond Index (Broad taxable market)	2.15%	1.14%	2.01%
Bloomberg Barclays Municipal Bond Index (Broad tax-exempt market)	3.52	1.97	2.69
Citigroup Three-Month U.S. Treasury Bill Index	0.91	0.41	0.25
CPI			
Consumer Price Index	2.07%	1.98%	1.48%

The performance data shown represent past performance, which is not a guarantee of future results.

¹ For the ten-year period through December 31, 2017, 9 of 9 Vanguard money market funds, 56 of 60 bond funds, 21 of 22 balanced funds, and 131 of 140 stock funds, or 217 of 231 Vanguard funds, outperformed their peer-group averages. Sources: Vanguard, based on data from Lipper, a Thomson Reuters Company.

Steady, time-tested guidance

Our guidance for investors, as always, is to stay the course, tune out the hyperbolic headlines, and focus on your goals and what you can control, such as costs and how much you save. This time-tested advice has served our clients well over the decades.

Regardless of how the markets perform in the short term, I'm incredibly optimistic about the future for our investors. We have a dedicated team serving you, and we will never stop striving to make Vanguard the best place for you to invest through our high-quality funds and services, advice and

guidance to help you meet your financial goals, and an experience that makes you feel good about entrusting us with your hard-earned savings.

Thank you for your continued loyalty.

Sincerely,



Mortimer J. Buckley
President and Chief Executive Officer
February 15, 2018

Results of Proxy Voting

At a special meeting of shareholders on November 15, 2017, fund shareholders approved the following proposals:

Proposal 1—Elect trustees for the fund.*

The individuals listed in the table below were elected as trustees for the fund. All trustees with the exception of Ms. Mulligan, Ms. Raskin, and Mr. Buckley (each of whom already serves as a director of The Vanguard Group, Inc.) served as trustees to the funds prior to the shareholder meeting.

Trustee	For	Withheld	Percentage For
Mortimer J. Buckley	2,503,465,695	87,490,567	96.6%
Emerson U. Fullwood	2,500,061,682	90,894,579	96.5%
Amy Gutmann	2,498,574,662	92,381,600	96.4%
JoAnn Heffernan Heisen	2,502,785,690	88,170,572	96.6%
F. Joseph Loughrey	2,501,562,489	89,393,773	96.6%
Mark Loughridge	2,503,584,454	87,371,807	96.6%
Scott C. Malpass	2,499,755,273	91,200,989	96.5%
F. William McNabb III	2,498,986,712	91,969,550	96.5%
Deanna Mulligan	2,503,553,783	87,402,478	96.6%
André F. Perold	2,453,401,594	137,554,668	94.7%
Sarah Bloom Raskin	2,500,665,258	90,291,004	96.5%
Peter F. Volanakis	2,501,344,074	89,612,188	96.5%

*Results are for all funds within the same trust.

Proposal 2—Approve a manager-of-managers arrangement with third-party investment advisors.

This arrangement enables the fund to enter into and materially amend investment advisory arrangements with third-party investment advisors, subject to the approval of the fund's board of trustees and certain conditions imposed by the Securities and Exchange Commission, while avoiding the costs and delays associated with obtaining future shareholder approval.

Vanguard Fund	For	Abstain	Against	Broker Non-Votes	Percentage For
Dividend Appreciation Index Fund	249,738,450	10,000,523	12,016,623	56,641,372	76.0%

Proposal 3—Approve a manager-of-managers arrangement with wholly owned subsidiaries of Vanguard.

This arrangement enables Vanguard or the fund to enter into and materially amend investment advisory arrangements with wholly owned subsidiaries of Vanguard, subject to the approval of the fund's board of trustees and any conditions imposed by the Securities and Exchange Commission (SEC), while avoiding the costs and delays associated with obtaining future shareholder approval. The ability of the fund to operate in this manner is contingent upon the SEC's approval of a pending application for an order of exemption.

Vanguard Fund	For	Abstain	Against	Broker Non-Votes	Percentage For
Dividend Appreciation Index Fund	252,113,265	9,625,082	10,017,249	56,641,372	76.8%

Fund shareholders did not approve the following proposal:

Proposal 7—Institute transparent procedures to avoid holding investments in companies that, in management's judgment, substantially contribute to genocide or crimes against humanity, the most egregious violations of human rights. Such procedures may include time-limited engagement with problem companies if management believes that their behavior can be changed.

The trustees recommended a vote against the proposal for the following reasons: (1) Vanguard is fully compliant with all applicable U.S. laws and regulations that prohibit the investment in any company owned or controlled by the government of Sudan; (2) the addition of further investment constraints is not in fund shareholders' best interests if those constraints are unrelated to a fund's stated investment objective, policies, and strategies; and (3) divestment is an ineffective means to implement social change, as it often puts the shares into the hands of another owner with no direct impact to the company's capitalization.

Vanguard Fund	For	Abstain	Against	Broker Non-Votes	Percentage For
Dividend Appreciation Index Fund	48,608,482	14,763,261	208,383,853	56,641,372	14.8%

Dividend Appreciation Index Fund

Fund Profile

As of January 31, 2018

Share-Class Characteristics

	Investor Shares	ETF Shares	Admiral Shares
Ticker Symbol	VDAIX	VIG	VDADX
Expense Ratio ¹	0.17%	0.08%	0.08%
30-Day SEC Yield	1.72%	1.77%	1.78%

Portfolio Characteristics

	Fund	NASDAQ US Dividend Achievers Select Index	DJ U.S. Total Market FA Index
Number of Stocks	177	177	3,765
Median Market Cap	\$66.1B	\$66.1B	\$73.6B
Price/Earnings Ratio	26.4x	26.4x	23.8x
Price/Book Ratio	4.5x	4.4x	3.2x
Return on Equity	22.0%	22.0%	14.9%
Earnings Growth Rate	4.0%	4.4%	9.1%
Dividend Yield	1.8%	1.8%	1.7%
Foreign Holdings	0.0%	0.0%	0.0%
Turnover Rate	14%	—	—
Short-Term Reserves	0.0%	—	—

Volatility Measures

	NASDAQ US Dividend Achievers Select Index	DJ U.S. Total Market FA Index
R-Squared	1.00	0.87
Beta	1.00	0.83

These measures show the degree and timing of the fund's fluctuations compared with the indexes over 36 months.

Sector Diversification (% of equity exposure)

	Fund	NASDAQ US Dividend Achievers Select Index	DJ U.S. Total Market FA Index
Basic Materials	4.7%	4.7%	2.7%
Consumer Goods	13.0	13.0	8.7
Consumer Services	14.7	14.7	13.2
Financials	9.6	9.6	20.3
Health Care	12.9	12.9	12.6
Industrials	33.6	33.6	13.3
Oil & Gas	0.0	0.0	5.6
Technology	9.9	9.9	19.0
Telecommunications	0.1	0.1	1.8
Utilities	1.5	1.5	2.8

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

Ten Largest Holdings (% of total net assets)

Microsoft Corp.	Software	5.0%
Johnson & Johnson	Pharmaceuticals	3.8
PepsiCo Inc.	Soft Drinks	3.7
3M Co.	Diversified Industrials	3.6
Medtronic plc	Medical Equipment	2.9
United Technologies Corp.	Aerospace	2.7
Texas Instruments Inc.	Semiconductors	2.7
Union Pacific Corp.	Railroads	2.6
Abbott Laboratories	Pharmaceuticals	2.6
Accenture plc	Business Support Services	2.6
Top Ten		32.2%

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

¹ The expense ratios shown are from the prospectus dated May 25, 2017, and represent estimated costs for the current fiscal year. For the fiscal year ended January 31, 2018, the expense ratios were 0.15% for Investor Shares, 0.08% for ETF Shares, and 0.08% for Admiral Shares.

Dividend Appreciation Index Fund

Investment Focus

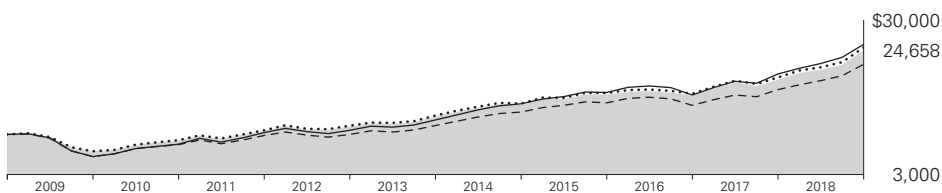
Style		Value	Blend	Growth
Market Cap	Large			
	Medium			
	Small			

Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. (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.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on fund distributions or on the sale of fund shares.

Cumulative Performance: January 31, 2008, Through January 31, 2018

Initial Investment of \$10,000



Average Annual Total Returns Periods Ended January 31, 2018

	One Year	Five Years	Ten Years	Final Value of a \$10,000 Investment
— Dividend Appreciation Index Fund	26.02%	13.44%	9.44%	\$24,658
..... NASDAQ US Dividend Achievers Select Index	26.19	13.62	9.67	25,175
- - - Large-Cap Core Funds Average	24.78	14.01	8.32	22,242
— Dow Jones U.S. Total Stock Market Float Adjusted Index	25.16	15.48	9.91	25,724

Large-Cap Core Funds Average: Derived from data provided by Lipper, a Thomson Reuters Company.

	One Year	Five Years	Ten Years	Final Value of a \$10,000 Investment
Dividend Appreciation Index Fund ETF Shares Net Asset Value	26.10%	13.54%	9.56%	\$24,922
NASDAQ US Dividend Achievers Select Index	26.19	13.62	9.67	25,175
Dow Jones U.S. Total Stock Market Float Adjusted Index	25.16	15.48	9.91	25,724

See Financial Highlights for dividend and capital gains information.

Dividend Appreciation Index Fund

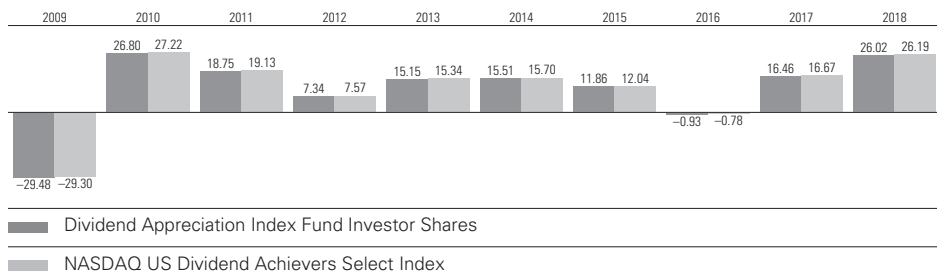
	Average Annual Total Returns Periods Ended January 31, 2018		Final Value of a \$10,000 Investment
	One Year	Since Inception (12/19/2013)	
Dividend Appreciation Index Fund Admiral Shares	26.11%	11.80%	\$15,832
NASDAQ US Dividend Achievers Select Index	26.19	11.88	15,874
Dow Jones U.S. Total Stock Market Float Adjusted Index	25.16	13.13	16,621

*"Since Inception" performance is calculated from the Institutional Plus Shares' inception date for both the fund and its comparative standards.

Cumulative Returns of ETF Shares: January 31, 2008, Through January 31, 2018

	One Year	Five Years	Ten Years
Dividend Appreciation Index Fund ETF Shares Market Price	26.15%	88.73%	150.52%
Dividend Appreciation Index Fund ETF Shares Net Asset Value	26.10	88.69	149.22
NASDAQ US Dividend Achievers Select Index	26.19	89.36	151.75

Fiscal-Year Total Returns (%): January 31, 2008, Through January 31, 2018



Dividend Appreciation Index Fund

Average Annual Total Returns: Periods Ended December 31, 2017

This table presents returns through the latest calendar quarter—rather than through the end of the fiscal period. Securities and Exchange Commission rules require that we provide this information.

	Inception Date	One Year	Five Years	Ten Years		
				Income	Capital	Total
Investor Shares	4/27/2006	22.12%	13.62%	2.23%	6.19%	8.42%
ETF Shares	4/21/2006					
Market Price		22.21	13.74			8.55
Net Asset Value		22.22	13.73			8.54
Admiral Shares	12/19/2013	22.22	—	2.32 ¹	8.37 ¹	10.69 ¹

¹ Return since inception.

Financial Statements

Statement of Net Assets

As of January 31, 2018

The fund reports a complete list of its holdings in regulatory filings four times in each fiscal year, at the quarter-ends. For the second and fourth fiscal quarters, the lists appear in the fund's semiannual and annual reports to shareholders. For the first and third fiscal quarters, the fund files the lists with the Securities and Exchange Commission on Form N-Q. Shareholders can look up the fund's Forms N-Q on the SEC's website at sec.gov. Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room (see the back cover of this report for further information).

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
Common Stocks (99.9%)¹					
Basic Materials (4.7%)					
Ecolab Inc.	2,537,805	349,405			
Air Products & Chemicals Inc.	1,892,920	318,711			
PPG Industries Inc.	2,236,592	265,551			
Nucor Corp.	2,773,852	185,737			
Westlake Chemical Corp.	1,121,593	126,291			
Albemarle Corp.	979,281	109,278			
International Flavors & Fragrances Inc.	687,600	103,346			
RPM International Inc.	1,161,837	60,648			
Royal Gold Inc.	568,270	50,576			
NewMarket Corp.	103,087	40,986			
Sensient Technologies Corp.	385,845	27,723			
HB Fuller Co.	437,859	22,703			
Stepan Co.	195,012	15,293			
Hawkins Inc.	92,238	3,256			
		1,679,504			
Consumer Goods (13.0%)					
PepsiCo Inc.	10,963,874	1,318,954			
NIKE Inc. Class B	11,528,517	786,475			
Colgate-Palmolive Co.	7,680,167	570,176			
Stanley Black & Decker Inc.	1,327,393	220,653			
Archer-Daniels-Midland Co.	4,968,038	213,377			
Kellogg Co.	3,054,678	208,054			
Clorox Co.	1,115,809	158,099			
Hormel Foods Corp.	4,600,225	157,926			
Genuine Parts Co.	1,290,804	134,334			
Brown-Forman Corp. Class B	1,876,634	130,051			
JM Smucker Co.	1,012,976	128,536			
Church & Dwight Co. Inc.	2,215,167	108,211			
			McCormick & Co. Inc.	988,750	107,546
			Hasbro Inc.	1,081,352	102,263
			Bunge Ltd.	1,213,696	96,404
			Polaris Industries Inc.	547,603	61,885
			Leggett & Platt Inc.	1,163,289	54,105
			Columbia Sportswear Co.	604,387	45,130
			Lancaster Colony Corp.	238,595	30,636
			J&J Snack Foods Corp.	162,803	22,538
			^ Tootsie Roll Industries Inc.	327,858	11,737
			Andersons Inc.	245,249	8,363
					4,675,453
			Consumer Services (14.7%)		
			Lowe's Cos. Inc.	7,567,031	792,495
			Costco Wholesale Corp.	3,821,076	744,613
			Walgreens Boots Alliance Inc.	9,390,110	706,700
			CVS Health Corp.	8,922,868	702,141
			TJX Cos. Inc.	5,671,050	455,499
			Sysco Corp.	4,699,456	295,455
			Ross Stores Inc.	3,428,545	282,478
			Kroger Co.	8,161,074	247,770
			Best Buy Co. Inc.	2,730,056	199,458
			Cardinal Health Inc.	2,744,270	197,011
			AmerisourceBergen Corp. Class A	1,890,199	188,396
			Tiffany & Co.	1,082,751	115,475
			Rollins Inc.	1,896,802	93,588
			FactSet Research Systems Inc.	392,470	78,765
			Casey's General Stores Inc.	340,898	41,286
			^ Cracker Barrel Old Country Store Inc.	209,099	36,902
			John Wiley & Sons Inc. Class A	420,368	26,651
			Aaron's Inc.	622,000	25,434

Dividend Appreciation Index Fund

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
Monro Inc.	283,457	16,015	Southside Bancshares Inc.	254,769	8,746
Mathews International Corp. Class A	280,686	15,718	Community Trust Bancorp Inc.	153,220	7,247
International Speedway Corp. Class A	220,499	10,231			<u>3,428,638</u>
		<u>5,272,081</u>	Health Care (12.9%)		
Financials (9.6%)			Johnson & Johnson	9,902,606	1,368,441
Chubb Ltd.	4,051,954	632,713	Medtronic plc	11,944,548	1,025,917
S&P Global Inc.	2,247,873	407,090	Abbott Laboratories	15,032,346	934,411
Travelers Cos. Inc.	2,433,059	364,764	Stryker Corp.	3,243,786	533,214
Aflac Inc.	3,492,098	308,003	Becton Dickinson and Co.	2,169,562	527,073
Ameriprise Financial Inc.	1,340,175	226,088	Perrigo Co. plc	1,247,369	113,037
Franklin Resources Inc.	4,917,962	208,571	West Pharmaceutical Services Inc.	637,193	63,847
Cincinnati Financial Corp.	1,432,970	110,195	Healthcare Services Group Inc.	633,318	34,946
SEI Investments Co.	1,384,771	104,066	Atrion Corp.	15,854	9,122
Torchmark Corp.	1,024,497	93,076	National HealthCare Corp.	131,885	8,226
American Financial Group Inc.	757,030	85,802			<u>4,618,234</u>
WR Berkley Corp.	1,054,615	76,966	Industrials (33.5%)		
Brown & Brown Inc.	1,217,598	63,900	3M Co.	5,186,511	1,299,221
Cullen/Frost Bankers Inc.	554,590	59,014	United Technologies Corp.	7,010,424	967,509
Eaton Vance Corp.	987,654	57,086	Union Pacific Corp.	7,079,408	945,101
BOK Financial Corp.	569,826	55,096	Accenture plc Class A	5,733,730	921,410
Commerce Bancshares Inc.	928,175	54,307	Lockheed Martin Corp.	2,525,530	896,184
Bank of the Ozarks	1,054,041	52,649	FedEx Corp.	2,318,423	608,540
Erie Indemnity Co. Class A	401,905	47,730	General Dynamics Corp.	2,633,648	585,934
Prosperity Bancshares Inc.	604,565	45,826	Raytheon Co.	2,547,839	532,346
RenaissanceRe Holdings Ltd.	356,122	45,277	Illinois Tool Works Inc.	3,014,768	523,575
Assurant Inc.	483,948	44,272	Northrop Grumman Corp.	1,518,888	517,227
Hanover Insurance Group Inc.	369,669	41,828	Automatic Data Processing Inc.	3,905,129	482,791
Axis Capital Holdings Ltd.	749,099	37,852	CSX Corp.	8,059,413	457,533
UMB Financial Corp.	433,169	32,999	Sherwin-Williams Co.	811,716	338,575
American Equity Investment Life Holding Co.	768,264	25,353	Waste Management Inc.	3,825,117	338,255
RLI Corp.	382,478	24,578	Roper Technologies Inc.	886,255	248,674
Community Bank System Inc.	439,724	23,437	Republic Services Inc. Class A	2,950,264	202,978
AmTrust Financial Services Inc.	1,702,462	22,847	Cintas Corp.	913,779	153,926
BancFirst Corp.	275,233	15,344	L3 Technologies Inc.	676,807	143,794
Westamerica Bancorporation	228,328	13,556	Dover Corp.	1,352,803	143,681
1st Source Corp.	225,296	11,781	Fastenal Co.	2,516,449	138,304
Tompkins Financial Corp.	131,730	10,851	WW Grainger Inc.	511,852	138,026
Infinity Property & Casualty Corp.	96,082	9,728	JB Hunt Transport Services Inc.	968,422	117,014
			CH Robinson Worldwide Inc.	1,232,014	112,680
			Expeditors International of Washington Inc.	1,566,932	101,772

Dividend Appreciation Index Fund

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
AO Smith Corp.	1,279,432	85,441	Southwest Gas Holdings Inc.	413,015	30,390
Jack Henry & Associates Inc.	675,371	84,192	New Jersey Resources Corp.	750,808	29,131
Nordson Corp.	499,769	71,827	Black Hills Corp.	464,327	25,793
Graco Inc.	1,461,800	68,412	MGE Energy Inc.	301,832	18,050
Robert Half International Inc.	1,111,575	64,338	American States Water Co.	318,463	17,586
Carlisle Cos. Inc.	561,601	64,141	California Water Service Group	417,156	16,978
Toro Co.	941,188	61,789	SJW Group	178,219	10,665
Donaldson Co. Inc.	1,148,642	58,190	Chesapeake Utilities Corp.	141,732	10,417
Lincoln Electric Holdings Inc.	571,471	55,758	Middlesex Water Co.	141,787	5,340
AptarGroup Inc.	542,149	47,395	Connecticut Water Service Inc.	95,858	5,085
Sonoco Products Co.	864,416	46,946	York Water Co.	111,930	3,543
MDU Resources Group Inc.	1,698,796	44,984			550,802
ITT Inc.	768,921	43,060	Total Common Stocks		
Ryder System Inc.	465,036	40,472	(Cost \$25,277,050)		35,826,392
Bemis Co. Inc.	804,160	37,587	Temporary Cash Investments (0.1%)¹		
MSC Industrial Direct Co. Inc. Class A	390,088	36,622	Money Market Fund (0.1%)		
Silgan Holdings Inc.	1,050,320	31,394	^{2,3} Vanguard Market Liquidity Fund, 1.545%	436,237	43,624
Regal Beloit Corp.	389,364	30,332			
MSA Safety Inc.	328,405	25,717			
ABM Industries Inc.	566,560	21,546			
Franklin Electric Co. Inc.	402,587	18,237			
Brady Corp. Class A	414,359	15,849			
Badger Meter Inc.	253,390	12,213			
Tennant Co.	153,471	10,344			
McGrath RentCorp	208,473	9,965			
Lindsay Corp.	92,604	8,261			
Gorman-Rupp Co.	227,117	6,421			
Cass Information Systems Inc.	106,919	6,196			
NACCO Industries Inc. Class A	45,020	1,893			
		12,024,572			
Technology (9.9%)			U.S. Government and Agency Obligations (0.0%)		
Microsoft Corp.	18,915,190	1,797,132	⁴ United States Treasury Bill, 1.432%, 4/26/18	200	199
Texas Instruments Inc.	8,696,125	953,704	⁴ United States Treasury Bill, 1.398%, 5/3/18	100	100
Analog Devices Inc.	3,175,186	291,736	⁴ United States Treasury Bill, 1.446%, 5/31/18	1,350	1,343
Microchip Technology Inc.	1,882,810	179,281	United States Treasury Bill, 1.482%, 6/7/18	100	100
Harris Corp.	1,082,734	172,566	⁴ United States Treasury Bill, 1.509%, 6/21/18	100	99
Xilinx Inc.	2,165,566	158,130			
		3,552,549			1,841
Telecommunications (0.1%)			Total Temporary Cash Investments		45,465
Telephone & Data Systems Inc.	895,339	24,559	(Cost \$45,465)		
Utilities (1.5%)			Total Investments (100.0%)		35,871,857
Edison International	2,834,371	177,233	(Cost \$25,322,515)		
Atmos Energy Corp.	915,101	75,862			
UGI Corp.	1,504,202	68,847			
Aqua America Inc.	1,543,283	55,882			

Dividend Appreciation Index Fund

	Amount (\$000)
Other Assets and Liabilities (0.0%)	
Other Assets	
Investment in Vanguard	1,862
Receivables for Accrued Income	32,504
Receivables for Capital Shares Issued	11,752
Variation Margin Receivable—	
Futures Contracts	22
Other Assets	200
Total Other Assets	46,340
Liabilities	
Payables for Investment Securities	
Purchased	(12,418)
Collateral for Securities on Loan	(13,626)
Payables for Capital Shares	
Redeemed	(6,186)
Payables to Vanguard	(11,457)
Total Liabilities	(43,687)
Net Assets (100%)	35,874,510

At January 31, 2018, net assets consisted of:

	Amount (\$000)
Paid-in Capital	25,648,644
Undistributed Net Investment Income	24,002
Accumulated Net Realized Losses	(348,860)
Unrealized Appreciation (Depreciation)	
Investment Securities	10,549,342
Futures Contracts	1,382
Net Assets	35,874,510

Investor Shares—Net Assets

Applicable to 26,688,648 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	1,143,698
Net Asset Value Per Share—	
Investor Shares	\$42.85

	Amount (\$000)
ETF Shares—Net Assets	
Applicable to 268,121,071 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	28,716,993
Net Asset Value Per Share—	
ETF Shares	\$107.10

Admiral Shares—Net Assets

Applicable to 206,897,660 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	6,013,819
Net Asset Value Per Share—	
Admiral Shares	\$29.07

• See Note A in Notes to Financial Statements.

[^] Includes partial security positions on loan to broker-dealers.
The total value of securities on loan is \$13,117,000.

- 1 The fund invests a portion of its cash reserves in equity markets through the use of index futures contracts. After giving effect to futures investments, the fund's effective common stock and temporary cash investment positions represent 100.0% and 0.0%, respectively, of net assets.
- 2 Affiliated money market fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown is the 7-day yield.
- 3 Includes \$13,626,000 of collateral received for securities on loan.
- 4 Securities with a value of \$1,742,000 been segregated as initial margin for open futures contracts.

Dividend Appreciation Index Fund

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

			(\$000)	
	Expiration	Number of Long (Short) Contracts	Notional Amount	Value and Unrealized Appreciation (Depreciation)
Long Futures Contracts				
E-mini S&P 500 Index	March 2018	339	47,897	1,382

Unrealized appreciation (depreciation) on open futures contracts is required to be treated as realized gain (loss) for tax purposes.

Statement of Operations

	Year Ended January 31, 2018
	(\$000)
Investment Income	
Income	
Dividends	665,159
Interest ¹	267
Securities Lending—Net	583
Total Income	666,009
Expenses	
The Vanguard Group—Note B	
Investment Advisory Services	3,298
Management and Administrative—Investor Shares	1,152
Management and Administrative—ETF Shares	14,364
Management and Administrative—Admiral Shares	2,858
Marketing and Distribution—Investor Shares	193
Marketing and Distribution—ETF Shares	933
Marketing and Distribution—Admiral Shares	359
Custodian Fees	279
Auditing Fees	38
Shareholders' Reports and Proxy—Investor Shares	110
Shareholders' Reports and Proxy—ETF Shares	1,847
Shareholders' Reports and Proxy—Admiral Shares	160
Trustees' Fees and Expenses	21
Total Expenses	25,612
Net Investment Income	640,397
Realized Net Gain (Loss)	
Investment Securities Sold ¹	1,358,559
Futures Contracts	7,136
Realized Net Gain (Loss)	1,365,695
Change in Unrealized Appreciation (Depreciation)	
Investment Securities ¹	5,379,121
Futures Contracts	1,148
Change in Unrealized Appreciation (Depreciation)	5,380,269
Net Increase (Decrease) in Net Assets Resulting from Operations	7,386,361

¹ Interest income, realized net gain (loss), and change in unrealized appreciation (depreciation) from an affiliated company of the fund were \$245,000, (\$50,000), and \$1,000, respectively.

Statement of Changes in Net Assets

	Year Ended January 31,	
	2018	2017
	(\$000)	(\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	640,397	572,766
Realized Net Gain (Loss)	1,365,695	31,660
Change in Unrealized Appreciation (Depreciation)	5,380,269	3,293,065
Net Increase (Decrease) in Net Assets Resulting from Operations	7,386,361	3,897,491
Distributions		
Net Investment Income		
Investor Shares	(20,628)	(18,763)
ETF Shares	(510,111)	(474,719)
Admiral Shares	(100,830)	(82,693)
Realized Capital Gain		
Investor Shares	—	—
ETF Shares	—	—
Admiral Shares	—	—
Total Distributions	(631,569)	(576,175)
Capital Share Transactions		
Investor Shares	(75,461)	2,117
ETF Shares	579,800	1,201,844
Admiral Shares	629,958	599,134
Net Increase (Decrease) from Capital Share Transactions	1,134,297	1,803,095
Total Increase (Decrease)	7,889,089	5,124,411
Net Assets		
Beginning of Period	27,985,421	22,861,010
End of Period ¹	35,874,510	27,985,421

¹ Net Assets—End of Period includes undistributed (overdistributed) net investment income of \$24,002,000 and \$15,174,000.

Financial Highlights

Investor Shares

For a Share Outstanding Throughout Each Period	Year Ended January 31,				
	2018	2017	2016	2015	2014
Net Asset Value, Beginning of Period	\$34.67	\$30.40	\$31.37	\$28.59	\$25.23
Investment Operations					
Net Investment Income	.756 ¹	.694	.670	.627	.540
Net Realized and Unrealized Gain (Loss) on Investments	8.165	4.275	(.947)	2.756	3.350
Total from Investment Operations	8.921	4.969	(.277)	3.383	3.890
Distributions					
Dividends from Net Investment Income	(.741)	(.699)	(.693)	(.603)	(.530)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(.741)	(.699)	(.693)	(.603)	(.530)
Net Asset Value, End of Period	\$42.85	\$34.67	\$30.40	\$31.37	\$28.59
Total Return²	26.02%	16.46%	-0.93%	11.86%	15.51%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$1,144	\$994	\$875	\$1,450	\$2,966
Ratio of Total Expenses to Average Net Assets	0.15%	0.17%	0.19%	0.20%	0.20%
Ratio of Net Investment Income to Average Net Assets	1.99%	2.11%	2.11%	2.04%	1.98%
Portfolio Turnover Rate ³	14%	19%	22%	20%	3%

1 Calculated based on average shares outstanding.

2 Total returns do not include account service fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable account service fees.

3 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Financial Highlights

ETF Shares

For a Share Outstanding Throughout Each Period	Year Ended January 31,				
	2018	2017	2016	2015	2014
Net Asset Value, Beginning of Period	\$86.66	\$75.98	\$78.42	\$71.47	\$63.08
Investment Operations					
Net Investment Income	1.951 ¹	1.810	1.759	1.645	1.421
Net Realized and Unrealized Gain (Loss) on Investments	20.408	10.696	(2.380)	6.890	8.357
Total from Investment Operations	22.359	12.506	(.621)	8.535	9.778
Distributions					
Dividends from Net Investment Income	(1.919)	(1.826)	(1.819)	(1.585)	(1.388)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(1.919)	(1.826)	(1.819)	(1.585)	(1.388)
Net Asset Value, End of Period	\$107.10	\$86.66	\$75.98	\$78.42	\$71.47
Total Return	26.10%	16.59%	-0.84%	11.97%	15.60%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$28,717	\$22,698	\$18,771	\$20,610	\$18,511
Ratio of Total Expenses to Average Net Assets	0.08%	0.08%	0.09%	0.10%	0.10%
Ratio of Net Investment Income to Average Net Assets	2.06%	2.20%	2.21%	2.14%	2.08%
Portfolio Turnover Rate ²	14%	19%	22%	20%	3%

¹ Calculated based on average shares outstanding.

² Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Financial Highlights

Admiral Shares

For a Share Outstanding Throughout Each Period	Year Ended January 31,				Dec. 19, 2013 ¹ to Jan. 31, 2014
	2018	2017	2016	2015	2014
Net Asset Value, Beginning of Period	\$23.52	\$20.62	\$21.28	\$19.40	\$20.00
Investment Operations					
Net Investment Income	.528 ²	.492	.478	.445	.030
Net Realized and Unrealized Gain (Loss) on Investments	5.542	2.903	(.644)	1.865	(.630)
Total from Investment Operations	6.070	3.395	(.166)	2.310	(.600)
Distributions					
Dividends from Net Investment Income	(.520)	(.495)	(.494)	(.430)	—
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(.520)	(.495)	(.494)	(.430)	—
Net Asset Value, End of Period	\$29.07	\$23.52	\$20.62	\$21.28	\$19.40
Total Return³	26.11%	16.58%	-0.83%	11.94%	-3.00%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$6,014	\$4,294	\$3,215	\$2,776	\$760
Ratio of Total Expenses to Average Net Assets	0.08%	0.08%	0.09%	0.10%	0.10% ⁴
Ratio of Net Investment Income to Average Net Assets	2.06%	2.20%	2.21%	2.14%	2.08% ⁴
Portfolio Turnover Rate ⁵	14%	19%	22%	20%	3%

1 Inception.

2 Calculated based on average shares outstanding.

3 Total returns do not include account service fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable account service fees.

4 Annualized.

5 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Notes to Financial Statements

Vanguard Dividend Appreciation Index Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund offers three classes of shares: Investor Shares, ETF Shares, and Admiral Shares. Investor Shares are available to any investor who meets the fund's minimum purchase requirements. ETF Shares are listed for trading on NYSE Arca; they can be purchased and sold through a broker. Admiral Shares are designed for investors who meet certain administrative, service, and account-size criteria.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. investment companies. The fund consistently follows such policies in preparing its financial statements.

1. **Security Valuation:** Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Equity securities are valued at the latest quoted sales prices or official closing prices taken from the primary market in which each security trades; such securities not traded on the valuation date are valued at the mean of the latest quoted bid and asked prices. Securities for which market quotations are not readily available, or whose values have been materially affected by events occurring before the fund's pricing time but after the close of the securities' primary markets, are valued by methods deemed by the board of trustees to represent fair value. Investments in Vanguard Market Liquidity Fund are valued at that fund's net asset value. Temporary cash investments are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services.

2. **Futures Contracts:** The fund uses index futures contracts to a limited extent, with the objectives of maintaining full exposure to the stock market, maintaining liquidity, and minimizing transaction costs. The fund may purchase futures contracts to immediately invest incoming cash in the market, or sell futures in response to cash outflows, thereby simulating a fully invested position in the underlying index while maintaining a cash balance for liquidity. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of stocks held by the fund and the prices of futures contracts, and the possibility of an illiquid market. Counterparty risk involving futures is mitigated because a regulated clearinghouse is the counterparty instead of the clearing broker. To further mitigate counterparty risk, the fund trades futures contracts on an exchange, monitors the financial strength of its clearing brokers and clearinghouse, and has entered into clearing agreements with its clearing brokers. The clearinghouse imposes initial margin requirements to secure the fund's performance and requires daily settlement of variation margin representing changes in the market value of each contract.

Futures contracts are valued at their quoted daily settlement prices. The notional amounts of the contracts are not recorded in the Statement of Net Assets. Fluctuations in the value of the contracts are recorded in the Statement of Net Assets as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized futures gains (losses).

During the year ended January 31, 2018, the fund's average investments in long and short futures contracts represented less than 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. Federal Income Taxes: The fund intends to continue to qualify as a regulated investment company and distribute all of its taxable income. Management has analyzed the fund's tax positions taken for all open federal income tax years (January 31, 2015–2018), and has concluded that no provision for federal income tax is required in the fund's financial statements.

4. Distributions: Distributions to shareholders are recorded on the ex-dividend date.

5. Securities Lending: To earn additional income, the fund lends its securities to qualified institutional borrowers. Security loans are subject to termination by the fund at any time, and are required to be secured at all times by collateral in an amount at least equal to the market value of securities loaned. Daily market fluctuations could cause the value of loaned securities to be more or less than the value of the collateral received. When this occurs, the collateral is adjusted and settled on the next business day. The fund further mitigates its counterparty risk by entering into securities lending transactions only with a diverse group of prequalified counterparties, monitoring their financial strength, and entering into master securities lending agreements with its counterparties. The master securities lending agreements provide that, in the event of a counterparty's default (including bankruptcy), the fund may terminate any loans with that borrower, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the fund; however, such actions may be subject to legal proceedings. While collateral mitigates counterparty risk, in the event of a default, the fund may experience delays and costs in recovering the securities loaned. The fund invests cash collateral received in Vanguard Market Liquidity Fund, and records a liability in the Statement of Net Assets for the return of the collateral, during the period the securities are on loan. Securities lending income represents fees charged to borrowers plus income earned on invested cash collateral, less expenses associated with the loan. During the term of the loan, the fund is entitled to all distributions made on or in respect of the loaned securities.

6. Credit Facility: The fund and certain other funds managed by The Vanguard Group ("Vanguard") participate in a \$3.1 billion committed credit facility provided by a syndicate of lenders pursuant to a credit agreement that may be renewed annually; each fund is individually liable for its borrowings, if any, under the credit facility. Borrowings may be utilized for temporary and emergency purposes, and are subject to the fund's regulatory and contractual borrowing restrictions. The participating funds are charged administrative fees and an annual commitment fee of 0.10% of the undrawn amount of the facility; these fees are allocated to the funds based on a method approved by the fund's board of trustees and included in Management and Administrative expenses on the fund's Statement of Operations. Any borrowings under this facility bear interest at a rate based upon the higher of the one-month London Interbank Offered Rate, federal funds effective rate, or overnight bank funding rate plus an agreed-upon spread.

The fund had no borrowings outstanding at January 31, 2018, or at any time during the period then ended.

7. Other: Dividend income is recorded on the ex-dividend date. Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Premiums and discounts on debt securities purchased are amortized and accreted, respectively, to interest income over the lives of the respective securities. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

Each class of shares has equal rights as to assets and earnings, except that each class separately bears certain class-specific expenses related to maintenance of shareholder accounts (included in Management and Administrative expenses), shareholder reporting, and the proxy. Marketing and distribution expenses are allocated to each class of shares based on a method approved by the board of trustees. Income, other non-class-specific expenses, and gains and losses on investments are allocated to each class of shares based on its relative net assets.

B. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution services at Vanguard's cost of operations (as defined by the FSA). These costs of operations are allocated to the fund based on methods and guidelines approved by the board of trustees. Vanguard does not require reimbursement in the current period for certain costs of operations (such as deferred compensation/benefits and risk/insurance costs); the fund's liability for these costs of operations is included in Payables to Vanguard on the Statement of Net Assets.

Upon the request of Vanguard, the fund may invest up to 0.40% of its net assets as capital in Vanguard. At January 31, 2018, the fund had contributed to Vanguard capital in the amount of \$1,862,000, representing 0.01% of the fund's net assets and 0.74% of Vanguard's capitalization. The fund's trustees and officers are also directors and employees, respectively, of Vanguard.

C. Various inputs may be used to determine the value of the fund's investments. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1—Quoted prices in active markets for identical securities.

Level 2—Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3—Significant unobservable inputs (including the fund's own assumptions used to determine the fair value of investments). Any investments valued with significant unobservable inputs are noted on the Statement of Net Assets.

The following table summarizes the market value of the fund's investments as of January 31, 2018, based on the inputs used to value them:

Investments	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)
Common Stocks	35,826,392	—	—
Temporary Cash Investments	43,624	1,841	—
Futures Contracts—Assets ¹	22	—	—
Total	35,870,038	1,841	—

¹ Represents variation margin on the last day of the reporting period.

D. Distributions are determined on a tax basis and may differ from net investment income and realized capital gains for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified among capital accounts in the financial statements to reflect their tax character. Temporary differences arise when certain items of income, expense, gain, or loss are recognized in different periods for financial statement and tax purposes. These differences will reverse at some time in the future. Differences in classification may also result from the treatment of short-term gains as ordinary income for tax purposes.

During the year ended January 31, 2018, the fund realized \$1,049,955,000 of net capital gains resulting from in-kind redemptions—in which shareholders exchanged fund shares for securities held by the fund rather than for cash. Because such gains are not taxable to the fund, and are not distributed to shareholders, they have been reclassified from accumulated net realized losses to paid-in capital.

For tax purposes, at January 31, 2018, the fund had \$33,964,000 of ordinary income available for distribution. The fund used capital losses of \$316,888,000 to offset taxable capital gains realized during the year ended January 31, 2018. At January 31, 2018, the fund had available capital losses totaling \$347,478,000 to offset future net capital gains. Of this amount, \$11,128,000 is subject to expiration on January 31, 2019. Capital losses of \$336,350,000 realized beginning in fiscal 2012 may be carried forward indefinitely under the Regulated Investment Company Modernization Act of 2010, but must be used before any expiring loss carryforwards.

At January 31, 2018, the cost of investment securities for tax purposes was \$25,322,515,000. Net unrealized appreciation of investment securities for tax purposes was \$10,549,342,000, consisting of unrealized gains of \$10,731,267,000 on securities that had risen in value since their purchase and \$181,925,000 in unrealized losses on securities that had fallen in value since their purchase.

E. During the year ended January 31, 2018, the fund purchased \$9,396,655,000 of investment securities and sold \$8,268,097,000 of investment securities, other than temporary cash investments. Purchases and sales include \$3,906,683,000 and \$3,807,618,000, respectively, in connection with in-kind purchases and redemptions of the fund's capital shares.

The fund purchased securities from and sold securities to other Vanguard funds or accounts managed by Vanguard or its affiliates, in accordance with procedures adopted by the board of trustees in compliance with Rule 17a-7 of the Investment Company Act of 1940. For the year ended January 31, 2018, such purchases and sales were \$969,125,000 and \$214,244,000, respectively; these amounts are included in the purchases and sales of investment securities noted above.

F. Capital share transactions for each class of shares were:

	Year Ended January 31,			
	2018		2017	
	Amount (\$000)	Shares (000)	Amount (\$000)	Shares (000)
Investor Shares				
Issued	289,695	7,648	306,256	9,147
Issued in Lieu of Cash Distributions	18,908	498	17,178	515
Redeemed	(384,064)	(10,128)	(321,317)	(9,762)
Net Increase (Decrease)—Investor Shares	(75,461)	(1,982)	2,117	(100)
ETF Shares				
Issued	4,404,813	47,483	3,087,183	37,802
Issued in Lieu of Cash Distributions	—	—	—	—
Redeemed	(3,825,013)	(41,275)	(1,885,339)	(22,950)
Net Increase (Decrease)—ETF Shares	579,800	6,208	1,201,844	14,852
Admiral Shares				
Issued	1,640,606	63,331	1,490,587	65,899
Issued in Lieu of Cash Distributions	89,401	3,462	74,470	3,292
Redeemed	(1,100,049)	(42,478)	(965,923)	(42,568)
Net Increase (Decrease)—Admiral Shares	629,958	24,315	599,134	26,623

G. Management has determined that no material events or transactions occurred subsequent to January 31, 2018, that would require recognition or disclosure in these financial statements.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard Specialized Funds and Shareholders of Vanguard Dividend Appreciation Index Fund

Opinion on the Financial Statements

We have audited the accompanying statement of net assets of Vanguard Dividend Appreciation Index Fund (one of the funds constituting Vanguard Specialized Funds, referred to hereafter as the "Fund") as of January 31, 2018, the related statement of operations for the year ended January 31, 2018, the statement of changes in net assets for each of the two years in the period ended January 31, 2018, including the related notes, and the financial highlights for each of the periods indicated therein (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of January 31, 2018, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended January 31, 2018 and the financial highlights for each of the periods indicated therein in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of January 31, 2018 by correspondence with the custodian and brokers and by agreement to the underlying ownership records of the transfer agent; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
March 15, 2018

We have served as the auditor of one or more investment companies in The Vanguard Group of Funds since 1975.

Special 2017 tax information (unaudited) for Vanguard Dividend Appreciation Index Fund

This information for the fiscal year ended January 31, 2018, is included pursuant to provisions of the Internal Revenue Code.

The fund distributed \$631,569,000 of qualified dividend income to shareholders during the fiscal year.

For corporate shareholders, 95.9% of investment income (dividend income plus short-term gains, if any) qualifies for the dividends-received deduction.

Your Fund's After-Tax Returns

This table presents returns for your fund both before and after taxes. The after-tax returns are shown in two ways: (1) assuming that an investor owned the fund during the entire period and paid taxes on the fund's distributions, and (2) assuming that an investor paid taxes on the fund's distributions *and* sold all shares at the end of each period.

Calculations are based on the highest individual federal income tax and capital gains tax rates in effect at the times of the distributions and the hypothetical sales. State and local taxes were not considered. After-tax returns reflect any qualified dividend income, using actual prior-year figures and estimates for 2018. (In the example, returns after the sale of fund shares may be higher than those assuming no sale. This occurs when the sale would have produced a capital loss. The calculation assumes that the investor received a tax deduction for the loss.)

The table shows returns for Investor Shares only; returns for other share classes will differ. Please note that your actual after-tax returns will depend on your tax situation and may differ from those shown. Also note that if you own the fund in a tax-deferred account, such as an individual retirement account or a 401(k) plan, this information does not apply to you. Such accounts are not subject to current taxes.

Finally, keep in mind that a fund's performance—whether before or after taxes—does not guarantee future results.

Average Annual Total Returns: Dividend Appreciation Index Fund Investor Shares

Periods Ended January 31, 2018

	One Year	Five Years	Ten Years
Returns Before Taxes	26.02%	13.44%	9.44%
Returns After Taxes on Distributions	25.44	12.90	9.01
Returns After Taxes on Distributions and Sale of Fund Shares	15.73	10.66	7.68

About Your Fund's Expenses

As a shareholder of the fund, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a fund's gross income, directly reduce the investment return of the fund.

A fund's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your fund and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The accompanying table illustrates your fund's costs in two ways:

- **Based on actual fund return.** This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the fund's actual return, and the third column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the fund. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for your fund under the heading "Expenses Paid During Period."

- **Based on hypothetical 5% yearly return.** This section is intended to help you compare your fund's costs with those of other mutual funds. It assumes that the fund had a yearly return of 5% before expenses, but that the expense ratio is unchanged. In this case—because the return used is not the fund's actual return—the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5% return. You can assess your fund's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that the expenses shown in the table are meant to highlight and help you compare *ongoing* costs only and do not reflect transaction costs incurred by the fund for buying and selling securities. Further, the expenses do not include any purchase, redemption, or account service fees described in the fund prospectus. If such fees were applied to your account, your costs would be higher. Your fund does not carry a "sales load."

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

You can find more information about the fund's expenses, including annual expense ratios, in the Financial Statements section of this report. For additional information on operating expenses and other shareholder costs, please refer to your fund's current prospectus.

Six Months Ended January 31, 2018

Dividend Appreciation Index Fund	Beginning Account Value 7/31/2017	Ending Account Value 1/31/2018	Expenses Paid During Period
Based on Actual Fund Return			
Investor Shares	\$1,000.00	\$1,158.31	\$0.71
ETF Shares	1,000.00	1,158.58	0.44
Admiral Shares	1,000.00	1,158.58	0.44
Based on Hypothetical 5% Yearly Return			
Investor Shares	\$1,000.00	\$1,024.55	\$0.66
ETF Shares	1,000.00	1,024.80	0.41
Admiral Shares	1,000.00	1,024.80	0.41

The calculations are based on expenses incurred in the most recent six-month period. The fund's annualized six-month expense ratios for that period are 0.13% for Investor Shares, 0.08% for ETF Shares, and 0.08% for Admiral Shares. The dollar amounts shown as "Expenses Paid" are equal to the annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent six-month period, then divided by the number of days in the most recent 12-month period (184/365).

Glossary

30-Day SEC Yield. A fund's 30-day SEC yield is derived using a formula specified by the U.S. Securities and Exchange Commission. Under the formula, data related to the fund's security holdings in the previous 30 days are used to calculate the fund's hypothetical net income for that period, which is then annualized and divided by the fund's estimated average net assets over the calculation period. For the purposes of this calculation, a security's income is based on its current market yield to maturity (for bonds), its actual income (for asset-backed securities), or its projected dividend yield (for stocks). Because the SEC yield represents hypothetical annualized income, it will differ—at times significantly—from the fund's actual experience. As a result, the fund's income distributions may be higher or lower than implied by the SEC yield.

Beta. A measure of the magnitude of a fund's past share-price fluctuations in relation to the ups and downs of a given market index. The index is assigned a beta of 1.00. Compared with a given index, a fund with a beta of 1.20 typically would have seen its share price rise or fall by 12% when the index rose or fell by 10%. For this report, beta is based on returns over the past 36 months for both the fund and the index. Note that a fund's beta should be reviewed in conjunction with its R-squared (see definition). The lower the R-squared, the less correlation there is between the fund and the index, and the less reliable beta is as an indicator of volatility.

Dividend Yield. Dividend income earned by stocks, expressed as a percentage of the aggregate market value (or of net asset value, for a fund). The yield is determined by dividing the amount of the annual dividends by the aggregate value (or net asset value) at the end of the period. For a fund, the dividend yield is based solely on stock holdings and does not include any income produced by other investments.

Earnings Growth Rate. The average annual rate of growth in earnings over the past five years for the stocks now in a fund.

Equity Exposure. A measure that reflects a fund's investments in stocks and stock futures. Any holdings in short-term reserves are excluded.

Expense Ratio. A fund's total annual operating expenses expressed as a percentage of the fund's average net assets. The expense ratio includes management and administrative expenses, but does not include the transaction costs of buying and selling portfolio securities.

Foreign Holdings. The percentage of a fund represented by securities or depository receipts of companies based outside the United States.

Inception Date. The date on which the assets of a fund (or one of its share classes) are first invested in accordance with the fund's investment objective. For funds with a subscription period, the inception date is the day after that period ends. Investment performance is measured from the inception date.

Median Market Cap. An indicator of the size of companies in which a fund invests; the midpoint of market capitalization (market price x shares outstanding) of a fund's stocks, weighted by the proportion of the fund's assets invested in each stock. Stocks representing half of the fund's assets have market capitalizations above the median, and the rest are below it.

Price/Book Ratio. The share price of a stock divided by its net worth, or book value, per share. For a fund, the weighted average price/book ratio of the stocks it holds.

Price/Earnings Ratio. The ratio of a stock's current price to its per-share earnings over the past year. For a fund, the weighted average P/E of the stocks it holds. P/E is an indicator of market expectations about corporate prospects; the higher the P/E, the greater the expectations for a company's future growth.

R-Squared. A measure of how much of a fund's past returns can be explained by the returns from the market in general, as measured by a given index. If a fund's total returns were precisely synchronized with an index's returns, its R-squared would be 1.00. If the fund's returns bore no relationship to the index's returns, its R-squared would be 0. For this report, R-squared is based on returns over the past 36 months for both the fund and the index.

Return on Equity. The annual average rate of return generated by a company during the past five years for each dollar of shareholder's equity (net income divided by shareholder's equity). For a fund, the weighted average return on equity for the companies whose stocks it holds.

Short-Term Reserves. The percentage of a fund invested in highly liquid, short-term securities that can be readily converted to cash.

Turnover Rate. An indication of the fund's trading activity. Funds with high turnover rates incur higher transaction costs and may be more likely to distribute capital gains (which may be taxable to investors). The turnover rate excludes in-kind transactions, which have minimal impact on costs.

The People Who Govern Your Fund

The trustees of your mutual fund are there to see that the fund is operated and managed in your best interests since, as a shareholder, you are a part owner of the fund. Your fund's trustees also serve on the board of directors of The Vanguard Group, Inc., which is owned by the Vanguard funds and provides services to them on an at-cost basis.

A majority of Vanguard's board members are independent, meaning that they have no affiliation with Vanguard or the funds they oversee, apart from the sizable personal investments they have made as private individuals. The independent board members have distinguished backgrounds in business, academia, and public service. Each of the trustees and executive officers oversees 201 Vanguard funds.

Information for each trustee and executive officer of the fund appears below. The mailing address of the trustees and officers is P.O. Box 876, Valley Forge, PA 19482. More information about the trustees is in the *Statement of Additional Information*, which can be obtained, without charge, by contacting Vanguard at 800-662-7447, or online at vanguard.com.

Interested Trustees¹

F. William McNabb III

Mr. McNabb has served as chairman of the board of Vanguard and of each of the investment companies served by Vanguard since January 2010; as a trustee of each of the investment companies served by Vanguard since 2009; and as director of Vanguard since 2008. Mr. McNabb served as chief executive officer and president of Vanguard and each of the investment companies served by Vanguard from 2008 to 2017 and as a managing director of Vanguard from 1995 to 2008. Mr. McNabb also serves as a director of Vanguard Marketing Corporation. He was born in 1957.

Mortimer J. Buckley

Mr. Buckley has served as chief executive officer of Vanguard since January 2018; as chief executive officer, president, and trustee of each of the investment companies served by Vanguard since January 2018; and as president and director of Vanguard since 2017. Previous positions held by Mr. Buckley at Vanguard include chief investment officer (2013–2017), head of the Retail Investor Group (2006–2012), and chief information officer (2001–2006). Mr. Buckley also served as chairman of the board of the Children's Hospital of Philadelphia from 2011 to 2017. He was born in 1969.

Independent Trustees

Emerson U. Fullwood

Mr. Fullwood has served as trustee since July 2008. Mr. Fullwood is the former executive chief staff and marketing officer for North America and corporate vice president (retired 2008) of Xerox Corporation (document management products and services). Previous positions held at Xerox by Mr. Fullwood include president of the Worldwide Channels Group, president of Latin America, executive chief staff officer of Developing Markets, and president of Worldwide Customer Services. Mr. Fullwood is the executive in residence at the Rochester Institute of Technology, where he was the 2009–2010 Distinguished Minett Professor. Mr. Fullwood serves as lead director of SPX FLOW, Inc. (multi-industry manufacturing); director of the University of Rochester Medical Center, the Monroe Community College Foundation, the United Way of Rochester, North Carolina A&T University, and Roberts Wesleyan College; and a trustee of the University of Rochester. He was born in 1948.

Amy Gutmann

Dr. Gutmann has served as trustee since June 2006. Dr. Gutmann has served as the president of the University of Pennsylvania since 2004. She is the Christopher H. Browne Distinguished Professor of Political Science, School of Arts and Sciences, and Professor of Communication, Annenberg School for

¹ Mr. McNabb and Mr. Buckley are considered "interested persons," as defined in the Investment Company Act of 1940, because they are officers of the Vanguard funds.

Communication, with secondary faculty appointments in the Department of Philosophy, School of Arts and Sciences, and at the Graduate School of Education, University of Pennsylvania. Dr. Gutmann also serves as a trustee of the National Constitution Center. She was born in 1949.

JoAnn Heffernan Heisen

Ms. Heisen has served as trustee since July 1998. Ms. Heisen is the former corporate vice president of Johnson & Johnson (pharmaceuticals/medical devices/consumer products) and a former member of its executive committee (1997–2008). During her tenure at Johnson & Johnson, Ms. Heisen held multiple roles, including: chief global diversity officer (retired 2008), vice president and chief information officer (1997–2006), controller (1995–1997), treasurer (1991–1995), and assistant treasurer (1989–1991). Ms. Heisen serves as a director of Skytop Lodge Corporation (hotels) and the Robert Wood Johnson Foundation and as a member of the advisory board of the Institute for Women's Leadership at Rutgers University. She was born in 1950.

F. Joseph Loughrey

Mr. Loughrey has served as trustee since October 2009. Mr. Loughrey is the former president and chief operating officer (retired 2009) and vice chairman of the board (2008–2009) of Cummins Inc. (industrial machinery). Mr. Loughrey serves as chairman of the board of Hillenbrand, Inc. (specialized consumer services), Oxfam America, and the Lumina Foundation for Education; as a director of the V Foundation for Cancer Research; and as a member of the advisory council for the College of Arts and Letters and chair of the advisory board to the Kellogg Institute for International Studies, both at the University of Notre Dame. He was born in 1949.

Mark Loughridge

Mr. Loughridge has served as trustee since March 2012. Mr. Loughridge is the former senior vice president and chief financial officer (retired 2013) at IBM (information technology services). Mr. Loughridge also served as a fiduciary member of IBM's retirement plan committee (2004–2013). Previous positions held by Mr. Loughridge at IBM include senior vice president and general manager of Global Financing (2002–2004), vice president and controller (1998–2002), and a variety of management roles. Mr. Loughridge serves as a member of the Council on Chicago Booth. He was born in 1953.

Scott C. Malpass

Mr. Malpass has served as trustee since March 2012. Mr. Malpass has served as chief investment officer since 1989 and as vice president since 1996 at the University of Notre Dame. Mr. Malpass serves as an assistant professor of finance at the Mendoza College of Business at the University of Notre Dame and is a member of the Notre Dame 403(b) investment committee. Mr. Malpass also serves as chairman of the board of TIFF Advisory Services, Inc.; as a member of the board of Catholic Investment Services, Inc. (investment advisors); as a member of the board of advisors for Spruceview Capital Partners; and as a member of the board of superintendence of the Institute for the Works of Religion. He was born in 1962.

Deanna Mulligan

Ms. Mulligan has served as trustee since January 2018. Ms. Mulligan has served as president since 2010 and chief executive officer since 2011 at The Guardian Life Insurance Company of America. Previous positions held by Ms. Mulligan at The Guardian Life Insurance Company of America include chief operating officer (2010–2011) and executive vice president of Individual Life and Disability (2008–2010). Ms. Mulligan serves as a board member of The Guardian Life Insurance Company of America, the American Council of Life Insurers, the Partnership for New York City (business leadership), and the Committee Encouraging Corporate Philanthropy. She also serves as a trustee of the Economic Club of New York and the Bruce Museum (arts and science) and as a member of the Advisory Council for the Stanford Graduate School of Business. She was born in 1963.

André F. Perold

Dr. Perold has served as trustee since December 2004. Dr. Perold is the George Gund Professor of Finance and Banking, Emeritus at the Harvard Business School (retired 2011). Dr. Perold serves as chief investment officer and co-managing partner of HighVista Strategies LLC (private investment firm). Dr. Perold also serves as an overseer of the Museum of Fine Arts Boston. He was born in 1952.

Sarah Bloom Raskin

Ms. Raskin has served as trustee since January 2018. Ms. Raskin served as deputy secretary of the United States Department of the Treasury (2014–2017), as a governor of the Federal Reserve Board (2010–2014), and as commissioner of financial regulation of the State of Maryland (2007–2010). Ms. Raskin also

served as a member of the Neighborhood Reinvestment Corporation's board of directors (2012–2014). Ms. Raskin serves as a director of i(x) Investments, LLC. She was born in 1961.

Peter F. Volanakis

Mr. Volanakis has served as trustee since July 2009. Mr. Volanakis is the retired president and chief operating officer (retired 2010) of Corning Incorporated (communications equipment) and a former director of Corning Incorporated (2000–2010) and Dow Corning (2001–2010). Mr. Volanakis served as a director of SPX Corporation (multi-industry manufacturing) (2012) and as an overseer of the Amos Tuck School of Business Administration at Dartmouth College (2001–2013). Mr. Volanakis serves as chairman of the board of trustees of Colby-Sawyer College and is a member of the board of Hypertherm Inc. (industrial cutting systems, software, and consumables). He was born in 1955.

Executive Officers

Glenn Booraem

Mr. Booraem, a principal of Vanguard, has served as investment stewardship officer of each of the investment companies served by Vanguard since February 2017. Mr. Booraem served as treasurer (2015–2017), controller (2010–2015), and assistant controller (2001–2010) of each of the investment companies served by Vanguard. He was born in 1967.

Christine M. Buchanan

Ms. Buchanan, a principal of Vanguard, has served as treasurer of each of the investment companies served by Vanguard since November 2017. She also serves as global head of Fund Administration at Vanguard. Ms. Buchanan served as a partner at KPMG LLP (audit, tax, and advisory services) (2005–2017). She was born in 1970.

Thomas J. Higgins

Mr. Higgins, a principal of Vanguard, has served as chief financial officer of each of the investment companies served by Vanguard since 2008. Mr. Higgins served as treasurer of each of the investment companies served by Vanguard (1998–2008). He was born in 1957.

Peter Mahoney

Mr. Mahoney, a principal of Vanguard, has served as controller of each of the investment companies served by Vanguard since May 2015. Mr. Mahoney served as head of International Fund Services at Vanguard (2008–2014). He was born in 1974.

Anne E. Robinson

Ms. Robinson has served as general counsel of Vanguard since September 2016; as secretary of Vanguard and of each of the investment companies served by Vanguard since September 2016; as director and senior vice president of Vanguard Marketing Corporation since September 2016; and as a managing director of Vanguard since August 2016. Ms. Robinson served as managing director and general counsel of Global Cards and Consumer Services at Citigroup (2014–2016). She served as counsel at American Express (2003–2014). She was born in 1970.

Michael Rollings

Mr. Rollings, a managing director of Vanguard since June 2016, has served as finance director of each of the investment companies served by Vanguard since November 2017 and as a director of Vanguard Marketing Corporation since June 2016. Mr. Rollings served as treasurer of each of the investment companies served by Vanguard from February 2017 to November 2017. He also served as the executive vice president and chief financial officer of MassMutual Financial Group (2006–2016). He was born in 1963.

Vanguard Senior Management Team

Mortimer J. Buckley

Gregory Davis

John James

Martha G. King

John T. Marcante

Chris D. McIsaac

James M. Norris

Thomas M. Rampulla

Karin A. Risi

Anne E. Robinson

Michael Rollings

Chairman Emeritus and Senior Advisor

John J. Brennan

Chairman, 1996–2009

Chief Executive Officer and President, 1996–2008

Founder

John C. Bogle

Chairman and Chief Executive Officer, 1974–1996



Vanguard®

P.O. Box 2600
Valley Forge, PA 19482-2600

Connect with Vanguard® > vanguard.com

Fund Information > 800-662-7447

Direct Investor Account Services > 800-662-2739

Institutional Investor Services > 800-523-1036

Text Telephone for People

Who Are Deaf or Hard of Hearing > 800-749-7273

This material may be used in conjunction with the offering of shares of any Vanguard fund only if preceded or accompanied by the fund's current prospectus.

All comparative mutual fund data are from Lipper, a Thomson Reuters Company, or Morningstar, Inc., unless otherwise noted.

You can obtain a free copy of Vanguard's proxy voting guidelines by visiting vanguard.com/proxyreporting or by calling Vanguard at 800-662-2739. The guidelines are also available from the SEC's website, sec.gov. In addition, you may obtain a free report on how your fund voted the proxies for securities it owned during the 12 months ended June 30. To get the report, visit either vanguard.com/proxyreporting or sec.gov.

You can review and copy information about your fund at the SEC's Public Reference Room in Washington, D.C. To find out more about this public service, call the SEC at 202-551-8090. Information about your fund is also available on the SEC's website, and you can receive copies of this information, for a fee, by sending a request in either of two ways: via email addressed to publicinfo@sec.gov or via regular mail addressed to the Public Reference Section, Securities and Exchange Commission, Washington, DC 20549-1520.

Source for Bloomberg Barclays indexes: Bloomberg Index Services Limited. Copyright 2017, Bloomberg. All rights reserved.

"Dividend Achievers" is a trademark of The NASDAQ OMX Group, Inc. (collectively, with its affiliates "NASDAQ OMX"), and has been licensed for use by The Vanguard Group, Inc. Vanguard mutual funds are not sponsored, endorsed, sold, or promoted by NASDAQ OMX and NASDAQ OMX makes no representation regarding the advisability of investing in the funds. NASDAQ OMX makes no warranties and bears no liability with respect to the Vanguard mutual funds.

© 2018 The Vanguard Group, Inc.
All rights reserved.
Vanguard Marketing Corporation, Distributor.

Q6020 032018