



*National **ABLE** Alliance*

Q3 Operations & Investment Review

October 28th, 2020





Quarterly Investment Review

National ABL® Alliance – Plan Review

As of September 30, 2020

Past Performance is not indicative of future results

Total Market Value: \$ 117,033,906

<u>Fund Name</u>	<u>Market Value</u>	<u>% of Plan</u>	<u>1 Month</u>	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Inception</u>	<u>Inception Date</u>
Aggressive Option	\$ 14,411,894	12.31%	(2.65)	7.10	0.22	7.35	6.51			8.40	12/15/16
ABLE Aggressive Custom Benchmark			(2.78)	7.18	0.63	8.00	6.95			8.97	
Variance			0.13	(0.08)	(0.41)	(0.65)	(0.44)			(0.57)	
Moderately Aggressive Option	\$ 13,255,966	11.33%	(2.21)	5.99	1.45	7.44	6.29			7.77	12/15/16
ABLE Moderately Aggressive Custom Benchmark			(2.35)	6.16	2.03	8.33	6.81			8.39	
Variance			0.14	(0.17)	(0.58)	(0.89)	(0.52)			(0.62)	
Growth Option	\$ 16,440,883	14.05%	(1.75)	5.03	2.37	7.30	5.95			7.03	12/15/16
ABLE Growth Custom Benchmark			(1.91)	5.13	3.15	8.35	6.53			7.70	
Variance			0.16	(0.10)	(0.78)	(1.05)	(0.58)			(0.67)	
Moderate Option	\$ 12,464,942	10.65%	(1.33)	3.96	3.28	7.05	5.53			6.28	12/15/16
ABLE Moderate Custom Benchmark			(1.46)	4.11	4.01	8.05	6.12			6.91	
Variance			0.13	(0.15)	(0.73)	(1.00)	(0.59)			(0.63)	
Moderately Conservative Option	\$ 9,995,109	8.54%	(0.83)	2.75	2.84	5.47	4.40			4.83	12/15/16
ABLE Moderately Conservative Custom Benchmark			(0.99)	2.83	3.49	6.32	4.94			5.37	
Variance			0.16	(0.08)	(0.65)	(0.85)	(0.54)			(0.54)	
Conservative Option	\$ 17,104,680	14.62%	(0.27)	1.09	2.11	3.25	2.82			2.84	12/15/16
ABLE Conservative Custom Benchmark			(0.34)	1.11	2.29	3.53	3.15			3.15	
Variance			0.07	(0.02)	(0.18)	(0.28)	(0.33)			(0.31)	
Checking Option	\$ 33,360,433	28.50%									03/30/17



Underlying Investment Product Review

Underlying Product Investment Review

As of September 30, 2020

Underlying Fund Name	Underlying Fund Expense	Total Ret 3 Mo	Total Ret YTD	Total Ret 1 Yr	Total Ret Annlzd 3 Yr	Total Ret Annlzd 5 Yr	Total Ret Annlzd 10 Yr
Vanguard Institutional Index Fund - Institutional Plus	0.02%	8.93%	5.58%	15.15%	12.27%	14.14%	13.74%
S&P 500 TR USD		8.93%	5.57%	15.15%	12.28%	14.15%	13.74%
Variance		0.00%	0.01%	0.00%	-0.01%	-0.01%	0.00%
Vanguard Extended Market Index Fund - Instl Plus Shares	0.04%	9.87%	3.77%	13.00%	8.09%	11.27%	12.13%
S&P Completion TR USD		9.90%	3.74%	12.94%	7.96%	11.13%	12.01%
Variance		-0.03%	0.03%	0.06%	0.13%	0.14%	0.12%
iShares Core MSCI EAFE ETF	0.07%	5.52%	-6.64%	1.41%	0.89%	5.73%	
MSCI EAFE IMI NR USD		5.56%	-6.68%	1.38%	0.73%	5.55%	
Variance		-0.04%	0.04%	0.03%	0.16%	0.18%	
Schwab Emerging Markets Equity ETF	0.11%	9.02%	-2.21%	9.24%	2.78%	8.69%	2.35%
FTSE Emerging NR USD		9.18%	-2.09%	9.42%	2.92%	8.83%	2.49%
Variance		-0.16%	-0.12%	-0.18%	-0.14%	-0.14%	-0.14%
Schwab U.S. REIT ETF	0.07%	1.24%	-21.63%	-22.61%	-1.99%	1.84%	
Schwab REIT Spliced Index TR USD		1.26%	-21.69%	-22.65%	-1.98%	1.91%	
Variance		-0.02%	0.06%	0.04%	-0.01%	-0.07%	

Past Performance is not indicative of future results

Underlying Product Investment Review

As of September 30, 2020

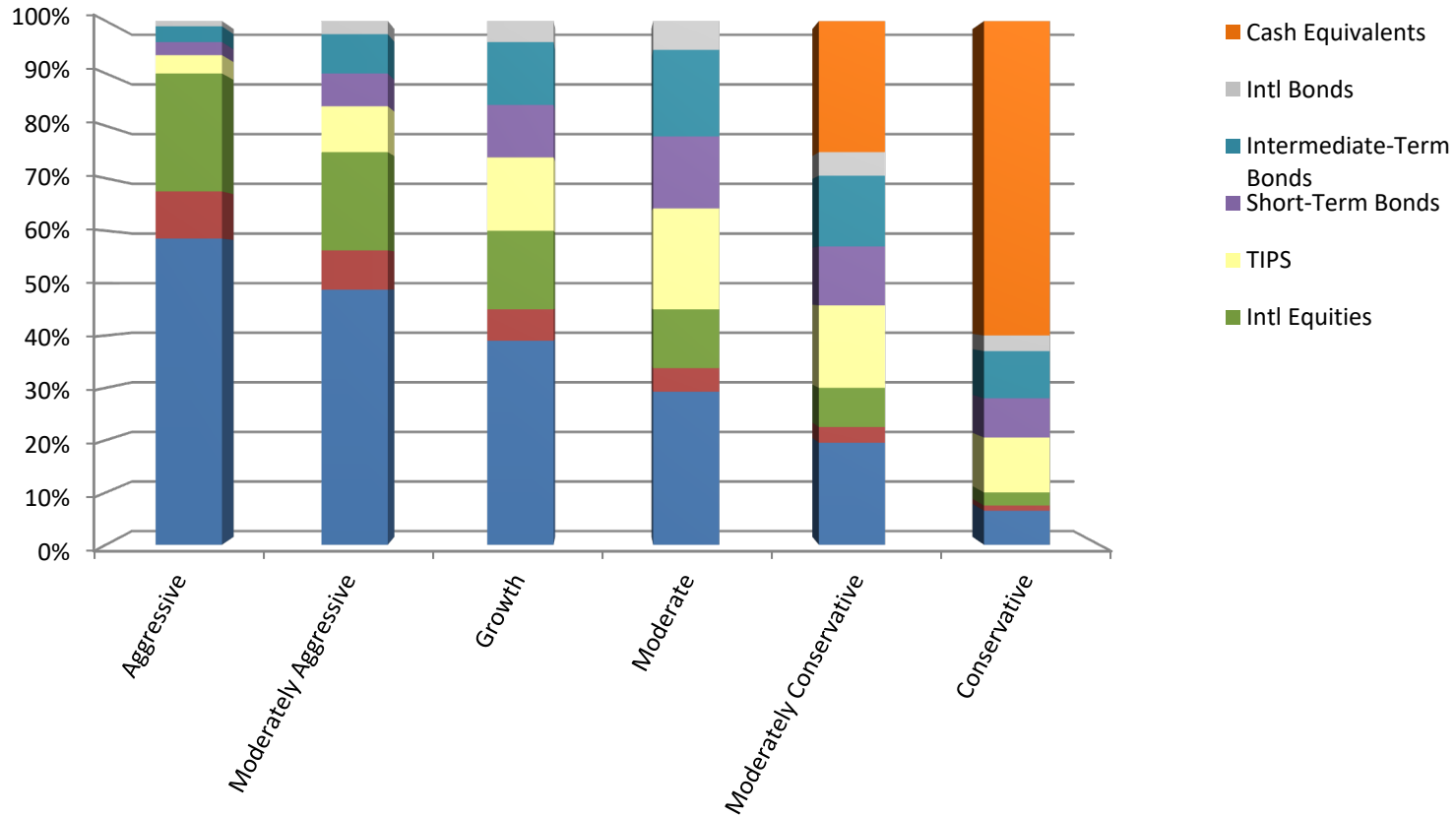
Underlying Fund Name	Underlying Fund Expense	Total Ret 3 Mo	Total Ret YTD	Total Ret 1 Yr	Total Ret Annlzd 3 Yr	Total Ret Annlzd 5 Yr	Total Ret Annlzd 10 Yr
Vanguard Total Bond Market Idx InstlPls	0.03%	0.62%	7.02%	7.05%	5.33%	4.22%	3.62%
Vanguard Spliced BBgBarc US Aggregate Index		0.65%	6.99%	7.14%	5.33%	4.26%	3.67%
Variance		-0.03%	0.03%	-0.09%	0.00%	-0.04%	-0.05%
Vanguard Short-Term Bond Idx InstlPls	0.04%	0.34%	4.42%	4.81%	3.44%	2.54%	2.03%
Vanguard Spliced BBgBarc US 1-5 Yr Index		0.37%	4.36%	4.88%	3.47%	2.59%	2.09%
Variance		-0.03%	0.06%	-0.07%	-0.03%	-0.05%	-0.06%
Vanguard Short-Term Infl-Prot Sec Idx Instl	0.04%	1.71%	3.65%	4.73%	3.06%	2.43%	
BBgBarc U.S. Treasury TIPS 0-5Y TR USD		1.75%	3.71%	4.89%	3.10%	2.48%	
Variance		-0.04%	-0.06%	-0.16%	-0.04%	-0.05%	
iShares Core International Aggregate Bond ETF	0.09%	0.76%	3.41%	2.13%	5.21%		
BBgBarc Gbl Agg xUSD 10% IC TR Hdg USD		0.75%	3.59%	2.31%	5.38%		
Variance		0.01%	-0.18%	-0.18%	-0.17%		

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Asset Allocation Review - Current Target Allocations

Asset Class	Underlying Investment	Ticker	Underlying Expense	National ABLE Alliance Target Asset Allocation					
				Aggressive	Moderately Aggressive	Growth	Moderate	Moderately Conservative	Conservative
U.S. Large Cap	Vanguard Institutional Index Fund - Institutional Plus	VIIIX	0.02%	31.50%	26.25%	21.00%	15.75%	10.50%	3.50%
U.S. Small & Mid Cap	Vanguard Extended Market Index Fund - Instl Plus Shares	VEMPX	0.04%	27.00%	22.50%	18.00%	13.50%	9.00%	3.00%
Non - U.S. Multi Cap	iShares Core MSCI EAFE ETF	IEFA	0.07%	16.20%	13.50%	10.80%	8.10%	5.40%	1.80%
Emerging Markets	Schwab Emerging Markets Equity ETF	SCHE	0.11%	6.30%	5.25%	4.20%	3.15%	2.10%	0.70%
REITs	Schwab U.S. REIT ETF	SCHH	0.07%	9.00%	7.50%	6.00%	4.50%	3.00%	1.00%
U.S. Core Bond	Vanguard Total Bond Market Index Fund - Institutional Plus Shares	VBMPX	0.03%	3.00%	7.50%	12.00%	16.50%	13.50%	9.00%
Short - Term Inv Grade	Vanguard Short-Term Bond Index Fund - Institutional Plus Shares	VBIPX	0.04%	2.50%	6.25%	10.00%	13.75%	11.25%	7.50%
Short - Term TIPS	Vanguard Short-Term Inflation-Protected Securities Index Fund - Instl	VTSPX	0.04%	3.50%	8.75%	14.00%	19.25%	15.75%	10.50%
International Bond	iShares® Core International Aggregate Bond ETF	IAGG	0.09%	1.00%	2.50%	4.00%	5.50%	4.50%	3.00%
Cash	Sallie Mae High Yield FDIC		0.00%	0.00%	0.00%	0.00%	0.00%	25.00%	60.00%
Equity Allocation				90.00%	75.00%	60.00%	45.00%	30.00%	10.00%
Fixed Income Allocation				10.00%	25.00%	40.00%	55.00%	45.00%	30.00%
Cash Equivalent Allocation				0.00%	0.00%	0.00%	0.00%	25.00%	60.00%
Total Allocation				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Underlying Expense				0.05%	0.05%	0.04%	0.04%	0.03%	0.02%

National ABLE Alliance – Asset Allocation of Risk Based Portfolios



Portfolio Benchmark Allocation Review

ABLE Consortium Custom Benchmarks

	Aggressive Custom Benchmark	Moderately Aggressive Custom Benchmark	Growth Custom Benchmark	Moderate Custom Benchmark	Moderately Conservative Custom Benchmark	Conservative Custom Benchmark
S&P 500 TR USD	31.50%	26.25%	21.00%	15.75%	10.50%	3.50%
S&P Completion TR USD	27.00%	22.50%	18.00%	13.50%	9.00%	3.00%
MSCI EAFE IMI NR USD	16.20%	13.50%	10.80%	8.10%	5.40%	1.80%
FTSE Emerging NR USD	6.30%	5.25%	4.20%	3.15%	2.10%	0.70%
Schwab Spliced REIT Index	9.00%	7.50%	6.00%	4.50%	3.00%	1.00%
Vanguard Spliced BBgBarc US Aggregate Index	3.00%	7.50%	12.00%	16.50%	13.50%	9.00%
Vanguard Spliced BBgBarc US 1-5 Yr Index	2.50%	6.25%	10.00%	13.75%	11.25%	7.50%
BBgBarc U.S. Treasury TIPS 0-5Y TR USD	3.50%	8.75%	14.00%	19.25%	15.75%	10.50%
BBgBarc Gbl Agg xUSD 10% IC TR Hdg USD	1.00%	2.50%	4.00%	5.50%	4.50%	3.00%
Citi Treasury Bill 3 Mon USD	0.00%	0.00%	0.00%	0.00%	25.00%	60.00%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%



ABLE Plan Comparison

ABLE Plan Comparison As of September 30, 2020

Equity Allocation 66%-100%

Plan	Fund	Asset Allocation				Expenses	Performance	
		Equity	Real Estate	Bonds	Cash	Underlying Fund Fees	1 Year	3 Year
Massachusetts ABLE	MA ABLE Aggressive Growth	85.00%	0.00%	15.00%	0.00%	0.74%	13.28	7.72
NY ABLE	NY Aggressive Option	85.00%	0.00%	15.00%	0.00%	0.04%	10.41	7.46
National ABLE Alliance	NAA Aggressive Option	81.00%	9.00%	10.00%	0.00%	0.05%	7.35	6.51
ENABLE	NE Growth Option	80.00%	0.00%	20.00%	0.00%	0.05%	11.04	7.76
Florida ABLE	FL Growth Portfolio	80.00%	0.00%	20.00%	0.00%	N/A	10.40	7.68
California ABLE	CA Aggressive Growth Portfolio	80.00%	0.00%	20.00%	0.00%	0.08%	10.23	
OH Stable Accounts	OH Growth Option	80.00%	0.00%	20.00%	0.00%	0.14%	9.91*	7.19*
VA Aggressive Growth Portfolio	VA Aggressive Growth Portfolio	80.00%	0.00%	20.00%	0.00%	0.14%	9.91*	7.19*
Virginia ABLE NOW	VA Aggressive Growth Portfolio	80.00%	0.00%	20.00%	0.00%	0.14%	9.91*	7.19*
Louisiana ABLE	LA Vanguard LifeStrategy Growth	80.00%	0.00%	20.00%	0.00%	0.14%	9.91*	7.19*
Texas ABLE	TX Aggressive Allocation Option	80.00%	0.00%	20.00%	0.00%	0.14%	9.41	
Washington ABLE Savings Plan	WA ABLE Aggressive	80.00%	4.00%	16.00%	0.00%	0.07%	8.91	
Oregon ABLE Savings Plan	OR ABLE Aggressive	80.00%	4.00%	16.00%	0.00%	0.05%	8.21	
Maryland ABLE Savings Plan	MD ABLE Aggressive	80.00%	4.00%	16.00%	0.00%	0.08%	7.85	
Massachusetts ABLE	MA ABLE Growth	70.00%	0.00%	25.00%	5.00%	0.72%	11.92	7.09
National ABLE Alliance	NAA Moderately Aggressive Option	67.50%	7.50%	25.00%	0.00%	0.05%	7.44	6.29

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ABLE Plan Comparison As of September 30, 2020

Equity Allocation 51%-65%

Plan	Fund	Asset Allocation				Expenses	Performance	
		Equity	Real Estate	Bonds	Cash	Underlying Fund Fees	1 Year	3 Year
Massachusetts ABLE	MA ALE Moderate Growth	60.00%	0.00%	35.00%	5.00%	0.71%	11.22	6.81
Florida ABLE	FL Moderate Portfolio	60.00%	0.00%	40.00%	0.00%	N/A	10.61	7.67
ENABLE	NE Moderate Option	60.00%	0.00%	40.00%	0.00%	0.04%	10.16	7.06
Texas ABLE	TX Moderate Allocation Option	60.00%	0.00%	40.00%	0.00%	0.24%	9.28	
OH Stable Accounts	OH Moderate Option	60.00%	0.00%	40.00%	0.00%	0.13%	9.07*	6.85*
Virginia ABLE NOW	VA Moderate Growth Portfolio	60.00%	0.00%	40.00%	0.00%	0.13%	9.07*	6.85*
Louisiana ABLE	LA Vanguard LifeStrategy Moderate Growth	60.00%	0.00%	40.00%	0.00%	0.13%	9.07*	6.85*
NY ABLE	NY Moderate Option	60.00%	0.00%	35.00%	5.00%	0.04%	8.96	6.65
National ABLE Alliance	NAA Growth Option	54.00%	6.00%	40.00%	0.00%	0.04%	7.30	5.95

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ABLE Plan Comparison As of September 30, 2020

Equity Allocation 31%-50%

Plan	Fund	Asset Allocation				Expenses	Performance	
		Equity	Real Estate	Bonds	Cash	Underlying Fund Fees	1 Year	3 Year
Massachusetts ABLE	MA ABLE Balanced Portfolio	50.00%	0.00%	40.00%	10.00%	0.65%	10.31	6.39
California ABLE	CA Moderate Portfolio	50.00%	0.00%	45.00%	5.00%	0.09%	8.7	
Oregon ABLE Savings Plan	OR ABLE Moderate	48.00%	2.00%	50.00%	0.00%	0.05%	8.31	
Maryland ABLE Savings Plan	MD ABLE Moderate	48.00%	2.00%	50.00%	0.00%	0.07%	8.26	
Washington ABLE Savings Plan	WA ABLE Moderate	48.00%	2.00%	50.00%	0.00%	0.06%	8.05	
National ABLE Alliance	NAA Moderate Option	40.50%	4.50%	55.00%	0.00%	0.04%	7.05	5.53
Massachusetts ABLE	MA ABLE Moderate Income	40.00%	0.00%	45.00%	15.00%	0.54%	9.31	5.98
Florida ABLE	FL Conservative Portfolio	40.00%	0.00%	50.00%	10.00%	N/A	9.23	6.66
OH Stable Accounts	OH Conservartive Growth Option	40.00%	0.00%	60.00%	0.00%	0.12%	8.11*	6.43*
Louisiana ABLE	LA Vanguard LifeStrategy Conservative Growth	40.00%	0.00%	60.00%	0.00%	0.12%	8.11*	6.43*
NY ABLE	NY Intermediate Option	35.00%	0.00%	40.00%	25.00%	0.03%	6.42	5.09

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ABLE Plan Comparison As of September 30, 2020

Equity Allocation 0%-30%

Plan	Fund	Asset Allocation				Expenses	Performance	
		Equity	Real Estate	Bonds	Cash	Underlying Fund Fees	1 Year	3 Year
Massachusetts ABLE	MA ABLE Income	30.00%	0.00%	50.00%	20.00%	0.54%	7.84	5.31
ENABLE	NE Conservative Option	30.00%	0.00%	70.00%	0.00%	0.04%	7.36	5.10
National ABLE Alliance	NAA Moderately Conservative Option	27.00%	3.00%	45.00%	25.00%	0.03%	5.47	4.40
Texas ABLE	TX Moderately Conservative Allocation Option	25.00%	0.00%	75.00%	0.00%	0.40%	7.57	
Maryland ABLE Savings Plan	MD ABLE Conservative	20.00%	0.00%	80.00%	0.00%	0.06%	7.16	
Oregon ABLE Savings Plan	OR ABLE Conservative	20.00%	0.00%	80.00%	0.00%	0.04%	6.84	
OH Stable Accounts	OH Income Option	20.00%	0.00%	80.00%	0.00%	0.11%	6.82*	5.84*
Virginia ABLE NOW	VA Conservative Income Portfolio	20.00%	0.00%	80.00%	0.00%	0.11%	6.82*	5.84*
Louisiana ABLE	LA Vanguard LifeStrategy Income	20.00%	0.00%	80.00%	0.00%	0.11%	6.82*	5.84*
Washington ABLE Savings Plan	WA ABLE Conservative	20.00%	0.00%	80.00%	0.00%	0.05%	6.74	
California ABLE	CA Conservative Portfolio	20.00%	0.00%	55.00%	25.00%	0.09%	6.22	
NY ABLE	NY Conservative Option	15.00%	0.00%	35.00%	50.00%	0.02%	4.01	3.52
National ABLE Alliance	NAA Conservative Option	9.00%	1.00%	30.00%	60.00%	0.02%	3.25	2.82

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Schwab Emerging Markets Equity ETF

Investment objective

The Fund's goal is to track as closely as possible, before fees and expenses, the total return of the FTSE Emerging Index.

Fund highlights

- A straightforward, low-cost fund offering potential tax-efficiency
- The Fund can serve as part of the core of a diversified portfolio
- Simple access to large- and mid-cap equities from emerging markets
- Invests in over 20 emerging market countries

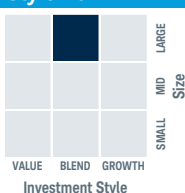
Fund details

Total net assets	\$7,055,271,321
Inception date	01/14/10
Expense ratio ¹	0.11%
Ticker symbol	SCHE
Number of fund holdings	1,514
Distribution frequency	Semi-annual
CUSIP	808524706
Index Bloomberg ticker	TAWALENU
Index name	FTSE Emerging Index (Net)
Portfolio turnover rate (1-year trailing)	14.59%
Intra-day indicative value	SCHE.IV
Exchange	NYSE Arca

Morningstar Rating™ and Style Box²

Fund Category:
Diversified Emerging Mkts

Rating
Overall ★★★
Three-Year ★★★★★
Five-Year ★★★
Ten-Year ★★★



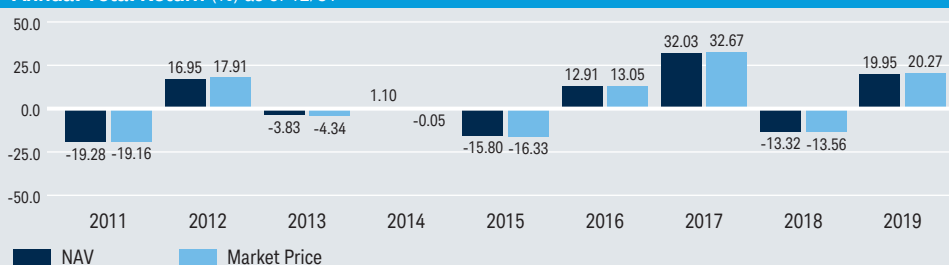
Source: Morningstar, Inc. As of 09/30/20 the total number of Diversified Emerging Mkts funds for the Overall, three-, five- and ten-year periods were 695, 695, 590, and 264, respectively. The ratings reflect historical risk-adjusted performance and the Overall Rating is derived from a weighted average of the Fund's three-, five- and ten-year Morningstar Rating metrics.

Quartile rankings within Morningstar category³



Performance (%) as of 9/30/20	Cumulative		Annualized				
	Year to Date	3 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund (NAV Returns)	-2.21	9.02	9.24	2.78	8.69	2.35	2.91
Fund (Market Price Returns)	-1.80	9.90	9.90	2.76	8.65	2.34	2.97
FTSE Emerging Index (Net) ³	-2.09	9.18	9.42	2.92	8.83	2.49	3.13
Category Average	-1.43	8.87	9.11	1.73	8.08	2.46	—

Annual Total Return (%) as of 12/31



Performance data quoted represents past performance and is no guarantee of future results. Investment returns and principal value will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost. Shares of ETFs are bought and sold at market price, which may be higher or lower than the net asset value (NAV). Brokerage commissions will reduce returns. Current performance may be lower or higher than performance data quoted. To obtain performance information current to the most recent month end, please visit www.schwabfunds.com.

Market Price is the price at which investors buy and sell ETF shares in the stock market. ETF Market Price determines investor returns. An ETF's Market Price may be higher or lower than the NAV at any given point in time. Market returns are based upon the Official Closing Price of the primary listing exchange (generally, 4:00 p.m. Eastern time) and may not represent the returns you would receive if shares were traded at other times.

NAV (Net Asset Value) is a per share valuation of the securities in an ETF officially calculated once per day. NAV price performance is primarily used to evaluate the fund and its managers and may not reflect the actual return for the investor. Index performance returns do not reflect any management fees, transaction costs or expenses, which would lower performance. They assume dividends and distributions were reinvested. Indices are unmanaged and cannot be invested in directly.

Statistical information (3 Yr.) as of 9/30/20

Sharpe ratio	0.06
Standard deviation	18.78%

Data provided by Zephyr StyleADVISOR as of 09/30/20.

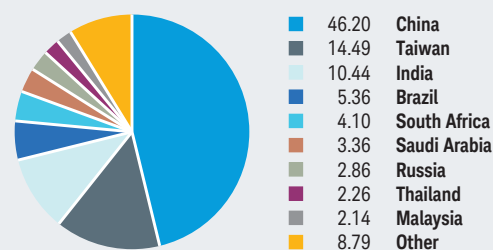
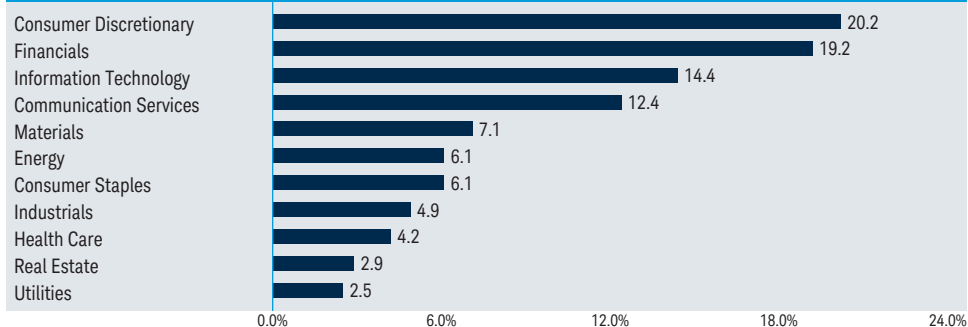
Investors should consider carefully information contained in a fund's prospectus, or if available, the summary prospectus including investment objectives, risks, charges and expenses. You can view and download a prospectus by visiting www.schwabfunds.com/schwabetfs_prospectus. Please read the prospectus carefully before investing.

Portfolio Characteristics⁴ as of 9/30/20

Wtd. avg. market capitalization (in millions)	\$177,492
Price-to-earnings ratio	16.93
Price-to-book ratio	1.92
Price-to-cash-flow ratio	9.50
Return on equity	16.14%
5-year earnings growth	15.72%

Top 10 holdings^{4, 5} (% of portfolio) as of 9/30/20

Alibaba Group Holding Ltd. Sponsored ADR	8.92
Tencent Holdings Ltd.	6.52
Taiwan Semiconductor Manufacturing Co., Ltd.	6.19
Meituan Dianping Class B	1.93
Reliance Industries Limited	1.62
Naspers Limited Class N	1.29
JD.com, Inc. Sponsored ADR Class A	1.18
China Construction Bank Corporation Class H	1.04
Ping An Insurance (Group) Company of China, Ltd. Class H	0.96
Infosys Limited	0.85
TOTAL	30.50

Top 10 countries⁴ (% of portfolio) as of 9/30/20**Sector weightings⁴ (% of portfolio) as of 9/30/20**

Sector and/or industry weightings for the portfolio are determined using the Global Industry Classification Standard (GICS). GICS was developed by and is the exclusive property of MSCI and Standard & Poor's (S&P). GICS is a service mark of MSCI and S&P and has been licensed for use by Charles Schwab & Co., Inc.

Find out more today

For more information, please visit www.schwabfunds.com.

For additional information about the indices and terms shown, please visit www.schwabfunds.com/glossary.

International investments involve additional risks, which include differences in financial accounting standards, currency fluctuations, geopolitical risk, foreign taxes and regulations, and the potential for illiquid markets. Investing in emerging markets may accentuate these risks.

¹ As stated in the prospectus. This figure may differ from that presented in the Fund's shareholder report.

² The Morningstar RatingTM for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total return, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total return. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take into account the effects of sales charges and loads.

³ Source: Morningstar, Inc. as of 09/30/20.

⁴ Data provided by FactSet as of 09/30/20.

⁵ Portfolio holdings are as of the date shown and may not represent current or future holdings and are not a recommendation of individual securities by the investment adviser.

Unlike mutual funds, shares of ETFs are not individually redeemable with the ETF.

Diversification does not eliminate the risk of market loss.

Securities information includes trades posted to the ETF as of trade date.

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Schwab U.S. REIT ETF

Investment objective

The Fund's goal is to track as closely as possible, before fees and expenses, the total return of an index composed of U.S. real estate investment trusts classified as equities.

Fund highlights

- A straightforward, low-cost fund offering potential tax-efficiency
- The Fund's focused approach can complement a diversified portfolio
- Simple access to REITs, excluding non-REIT stocks that may be included in other real estate indices

Fund details

Total net assets	\$4,211,041,430
Inception date	01/13/11
Expense ratio ¹	0.07%
Ticker symbol	SCHH
Number of securities	145
Distribution frequency	Quarterly
CUSIP	808524847
Index Bloomberg ticker	DJERCUT
Index name	Dow Jones Equity All REIT Capped Index
Portfolio turnover rate (1-year trailing)	51.86%
Intra-day indicative value	SCHH.IV
Exchange	NYSE Arca

Morningstar Rating™ and Style Box²

Fund Category:

Real Estate

Rating

Overall ★★

Three-Year ★★

Five-Year ★★



Source: Morningstar, Inc. As of 09/30/20 the total number of Real Estate funds for the Overall, three-, five- and ten-year periods were 224, 224, 197, and 141, respectively. The ratings reflect historical risk-adjusted performance and the Overall Rating is derived from a weighted average of the Fund's three-, five- and ten-year Morningstar Rating metrics.

Quartile rankings within Morningstar category³

■ Fund

Top 25%

Bottom 25%



Yields as of 9/30/20

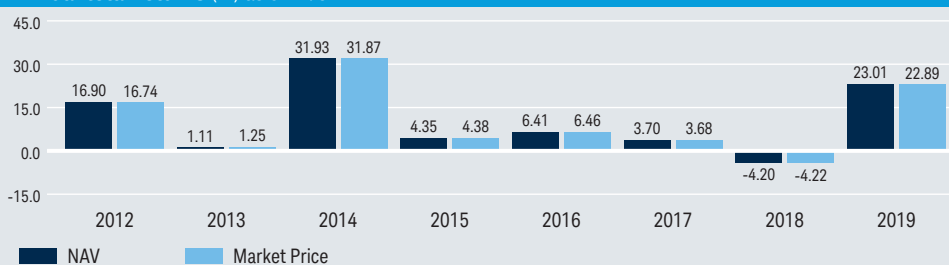
30-day SEC yield	3.75%
Distribution yield	3.24%

Performance (%)

as of 9/30/20

	Cumulative		Annualized			
	Year to Date	3 Months	1 Year	3 Years	5 Years	Since Inception
Fund (NAV Returns)	-21.63	1.24	-22.61	-1.99	1.84	6.33
Fund (Market Price Returns)	-21.67	1.15	-22.72	-2.03	1.83	6.32
Dow Jones Equity All REIT Capped Index ^{3,4}	-	1.26	-	-	-	-
REIT Spliced Index ⁵	-21.69	1.26	-22.65	-1.98	1.91	6.43
Category Average	-14.01	2.35	-13.44	1.17	4.28	-

Annual total returns (%) as of 12/31



Performance data quoted represents past performance and is no guarantee of future results. Investment returns and principal value will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost. Shares of ETFs are bought and sold at market price, which may be higher or lower than the net asset value (NAV). Brokerage commissions will reduce returns. Current performance may be lower or higher than performance data quoted. To obtain performance information current to the most recent month end, please visit www.schwabfunds.com.

Market Price is the price at which investors buy and sell ETF shares in the stock market. ETF Market Price determines investor returns. An ETF's Market Price may be higher or lower than the NAV at any given point in time. Market returns are based upon the Official Closing Price of the primary listing exchange (generally, 4:00 p.m. Eastern time) and may not represent the returns you would receive if shares were traded at other times.

NAV (Net Asset Value) is a per share valuation of the securities in an ETF officially calculated once per day. NAV price performance is primarily used to evaluate the fund and its managers and may not reflect the actual return for the investor.

Index performance returns do not reflect any management fees, transaction costs or expenses, which would lower performance. They assume dividends and distributions were reinvested. Indices are unmanaged and cannot be invested in directly.

Statistical information (3 Yr.) as of 9/30/20

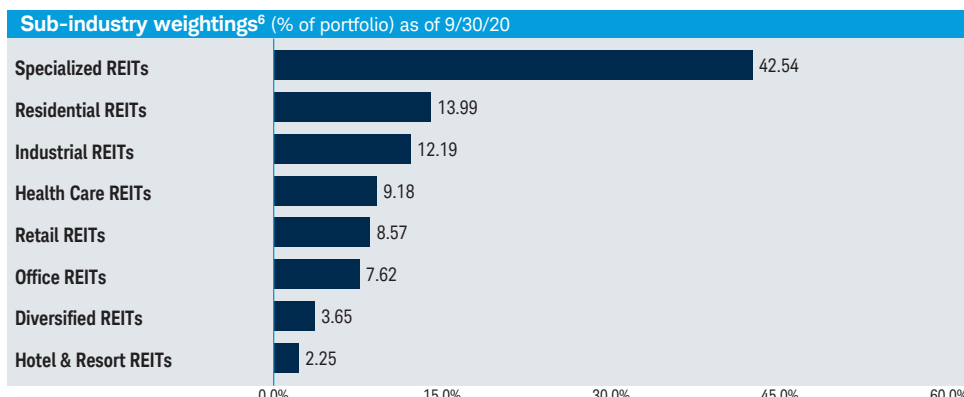
Sharpe ratio	-0.19
Standard deviation	19.03%

Data provided by Zephyr StyleADVISOR as of 09/30/20.

Investors should consider carefully information contained in a fund's prospectus, or if available, the summary prospectus including investment objectives, risks, charges and expenses. You can view and download a prospectus by visiting www.schwabfunds.com/schwabetfs_prospectus. Please read the prospectus carefully before investing.

Portfolio characteristics ⁶ as of 9/30/20	
Wtd. avg. market capitalization (in millions)	\$33,762
Price-to-earnings ratio	32.07
Price-to-book ratio	2.30
Price-to-cash-flow ratio	13.73
Return on equity	12.15%
5-year earnings growth	11.55%

Top 10 holdings ^{6,7} (% of portfolio) as of 9/30/20	
American Tower Corporation	9.89
Prologis, Inc.	7.01
Crown Castle International Corp	6.06
Equinix, Inc.	4.69
Digital Realty Trust, Inc.	3.83
SBA Communications Corp. Class A	3.46
Public Storage	3.29
Welltower, Inc.	2.23
Weyerhaeuser Company	2.07
AvalonBay Communities, Inc.	2.04
TOTAL	44.57



Sub-industry weightings for the Fund's portfolio are determined using the Global Industry Classification Standard (GICS). GICS was developed by and is the exclusive property of MSCI and Standard & Poor's (S&P). GICS is a service mark of MSCI and S&P and has been licensed for use by Charles Schwab & Co., Inc.

Find out more today

For more information, please visit www.schwabfunds.com.

For additional information about the indices and terms shown, please visit www.schwabfunds.com/glossary.

Risks of investing in REITs are similar to those associated with direct ownership of real estate, such as changes in real estate values and property taxes, interest rates, cash flow of underlying real estate assets, supply and demand, and the management skill and credit worthiness of the issuer.

¹ As stated in the prospectus. This figure may differ from that presented in the Fund's shareholder report.

² The Morningstar Rating[™] for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total return, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total return. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take into account the effects of sales charges and loads.

³ Source: Morningstar, Inc. as of 09/30/20.

⁴ Effective upon the commencement of operations on June 22, 2020, the fund changed its primary comparative index from the Dow Jones U.S. Select REIT Index to the Dow Jones Equity All REIT Capped Index (index) in connection with a change to the fund's investment objective and investment strategies to invest its assets in accordance with the index.

⁵ **REIT Spliced Index** An internally calculated index, comprised of the Dow Jones U.S. Select REIT Index from the inception of the Schwab U.S. REIT ETF until the close of business on June 19, 2020, and the Dow Jones Equity All REIT Capped Index thereafter. The REIT Spliced Index is published with the permission of S&P Dow Jones Indices LLC, but is not calculated, sponsored or endorsed by S&P Dow Jones Indices LLC.

⁶ Data provided by FactSet as of 09/30/20.

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Vanguard Short-Term Bond Index Fund

Bond fund | Institutional Plus Shares

Fund facts

Risk level Low ← → High					Total net assets	Expense ratio as of 04/28/20	Ticker symbol	Turnover rate as of 12/31/19	Inception date	Fund number
1	2	3	4	5	\$7,441 MM	0.04%	VBIPX	44.0%	09/29/11	0733

Investment objective

Vanguard Short-Term Bond Index Fund seeks to track the performance of a market-weighted bond index with a short-term dollar-weighted average maturity.

Investment strategy

The fund employs an indexing investment approach designed to track the performance of the Bloomberg Barclays 1–5 Year U.S. Government/Credit Float Adjusted Bond Index. This index includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 5 years and are publicly issued. The fund invests by sampling the index, meaning that it holds a range of securities that, in the aggregate, approximates 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. Under normal circumstances, the fund's dollar-weighted average maturity is not expected to exceed 3 years.

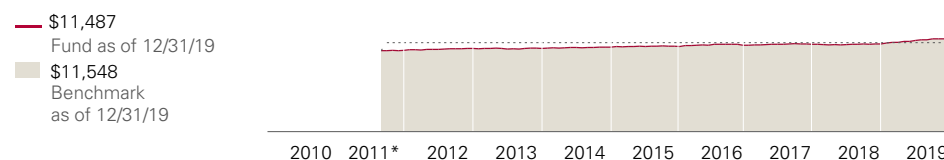
For the most up-to-date fund data, please scan the QR code below.



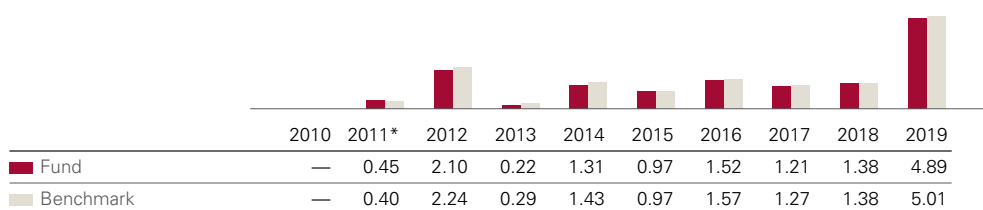
Benchmark

Spl BloomBarc US1-5YrGov/Cr FIAdjlx

Growth of a \$10,000 investment : September 30, 2011 – December 31, 2019



Annual returns



Total returns

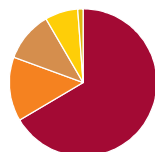
Periods ended September 30, 2020

	Quarter	Year to date	One year	Three years	Five years	Since inception
Fund	0.34%	4.42%	4.81%	3.44%	2.54%	2.04%
Benchmark	0.37%	4.36%	4.88%	3.47%	2.59%	—

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	66.5%
Industrial	14.1
Finance	11.0
Foreign	7.2
Utilities	1.2
Asset-Backed	0.0
Commercial Mortgage-Backed	0.0
Government Mortgage-Backed	0.0

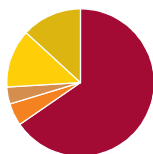
* Partial return since fund started, September 29, 2011.

Spl BloomBarc US1-5YrGov/Cr FIAdjlx: Bloomberg Barclays U.S. 1–5 Year Government/Credit Bond Index through December 31, 2009; Bloomberg Barclays U.S. 1–5 Year Government/Credit Float Adjusted Index thereafter.

Vanguard Short-Term Bond Index Fund

Bond fund | Institutional Plus Shares

Distribution by credit quality†



■ U.S. Government	65.4%
■ Aaa	4.9
■ Aa	3.7

■ A	12.8
■ Baa	13.2

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Plain talk about risk

The fund is designed for investors with a low tolerance for risk; however, 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 low for the fund because it invests primarily in short-term bonds, whose prices are much 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.

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.

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.

†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.

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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

Vanguard Total Bond Market Index Fund

Bond fund | Institutional Plus Shares

Fund facts

Risk level Low ← → High					Total net assets	Expense ratio as of 04/28/20	Ticker symbol	Turnover rate as of 12/31/19	Inception date	Fund number
1	2	3	4	5	\$29,736 MM	0.03%	VBMPX	30.8%	09/18/95	0850

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.

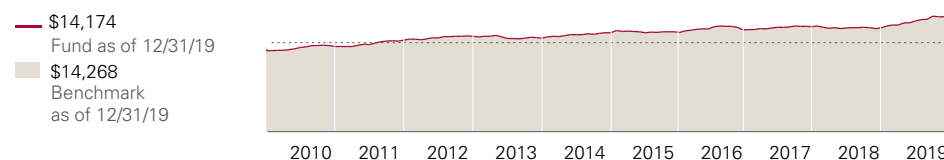
For the most up-to-date fund data, please scan the QR code below.



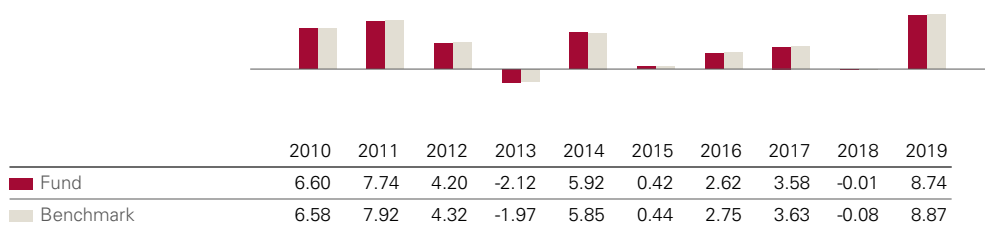
Benchmark

Spliced BloomBarc USAgg Flt Adjlx

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



Annual returns



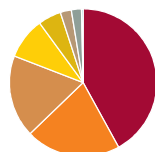
Total returns

	Periods ended September 30, 2020					
	Quarter	Year to date	One year	Three years	Five years	Ten years
Fund	0.62%	7.02%	7.05%	5.32%	4.22%	3.62%
Benchmark	0.65%	6.99%	7.14%	5.33%	4.26%	3.67%

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).

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	42.0%	Foreign	5.1
Government Mortgage-Backed	20.8	Utilities	2.4
Industrial	18.1	Commercial Mortgage-Backed	2.2
Finance	9.0	Asset-Backed	0.4

Spliced BloomBarc USAgg Flt Adjlx: Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009; Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter.

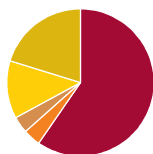
The Institutional Plus Shares' inception date is February 5, 2010; investment returns since that date are historical returns. All other average annual and cumulative total returns shown are blended returns of the historical performance of Institutional Plus Shares and the fund's Institutional Shares. The 2010 first-quarter and calendar-year annual returns are also blended returns of the historical performance of Institutional Plus Shares and Institutional Shares. All other quarterly and calendar-year annual returns reflect Institutional Shares' historical performance. Since inception performance is from the fund's Institutional Shares inception on September 18, 1995.

F0850 092020

Vanguard Total Bond Market Index Fund

Bond fund | Institutional Plus Shares

Distribution by credit quality†



■ U.S. Government	59.6%
■ Aaa	3.8
■ Aa	3.7

■ A	12.7
■ Baa	20.2

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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 relatively low for the fund because it invests primarily in bonds that are considered to be of high 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](https://www.vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

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

Vanguard Emerging Markets Stock Index Fund

International stock fund | Admiral™ Shares

Fund facts

Risk level Low <-----> High					Total net assets	Expense ratio as of 02/27/20	Ticker symbol	Turnover rate as of 10/31/19	Inception date	Fund number
1	2	3	4	5	\$14,288 MM	0.14%	VEMAX	8.9%	06/23/06	5533

Investment objective

Vanguard Emerging Markets Stock Index Fund seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in emerging market countries.

Investment strategy

The fund employs an indexing investment approach designed to track the performance of the FTSE Emerging Markets All Cap China A Inclusion Index, a market-capitalization-weighted index that is made up of approximately 3,500 common stocks of large-, mid-, and small-cap companies located in emerging markets around the world. The fund invests by sampling the index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the index in terms of key characteristics. These key characteristics include industry weightings and market capitalization, as well as certain financial measures, such as price/earnings ratio and dividend yield.

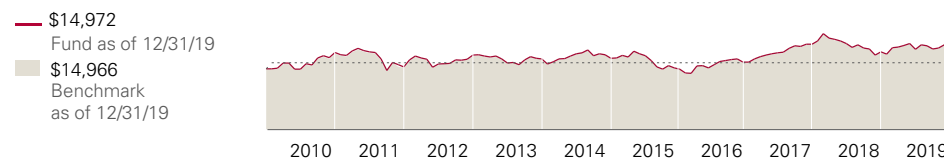
For the most up-to-date fund data, please scan the QR code below.



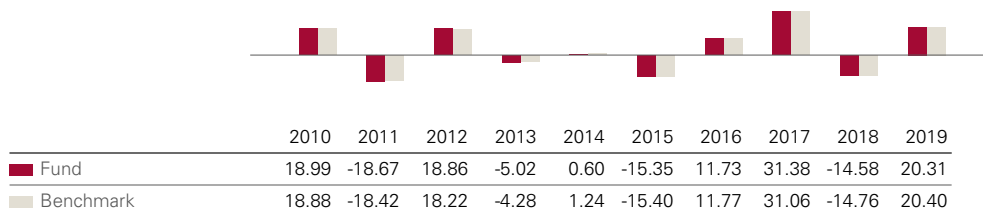
Benchmark

Spliced Emerging Markets Index

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



Annual returns



Total returns

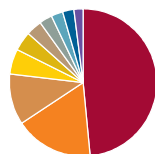
Periods ended September 30, 2020

	Quarter	Year to date	One year	Three years	Five years	Ten years
Fund	8.98%	-1.41%	9.75%	2.50%	8.20%	2.26%
Benchmark	8.96%	-1.69%	9.50%	2.49%	8.21%	2.29%

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).

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.

Market allocation—stocks



China	44.9%	Saudi Arabia	3.2
Taiwan	16.0	Russia	2.6
India	10.4	Thailand	2.4
Brazil	5.1	Malaysia	2.3
South Africa	3.9	Mexico	1.9

Vanguard Emerging Markets Stock Index Fund

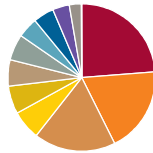
International stock fund | Admiral™ Shares

Ten largest holdings*

1	Alibaba Group Holding Ltd.	
2	Tencent Holdings Ltd.	
3	Taiwan Semiconductor Manufacturing Co. Ltd.	
4	Meituan Dianping	
5	Reliance Industries Ltd.	
6	Naspers Ltd.	
7	JD.com Inc.	
8	Ping An Insurance Group Co. of China Ltd.	
9	China Construction Bank Corp.	
10	Infosys Ltd.	
Top 10 as % of total net assets		27.5%

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

Sector Diversification



Technology	23.7%
Consumer Discretionary	18.9
Financials	18.0
Industrials	6.4
Energy	6.1
Basic Materials	5.8
Consumer Staples	5.7
Health Care	4.5
Telecommunications	4.5
Real Estate	3.7
Utilities	2.6
Other	0.1

Sector categories are based on the Industry Classification Benchmark system ("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. Beginning September 2020, FTSE Russell is enhancing the ICB structures to provide additional granularity from the industry through subsector levels. Please note that there may be differences in sector names and classifications as these changes are implemented across the industry through March 2021.

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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 stock market. The fund's performance could be hurt by:

Stock market risk: The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices. The fund's investments in foreign stocks can be riskier than U.S. stock investments. Foreign stocks tend to 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. In addition, the fund's target index may, at times, become focused in stocks of a particular market sector, which would subject the fund to proportionately higher exposure to the risks of that sector.

Country/Regional risk: 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 or regions. Country/regional risk is especially high in emerging markets. The index's, and therefore the fund's, heavy exposure to China, Brazil, and Taiwan subjects the fund to a higher degree of country risk than that of more geographically diversified international funds.

Emerging markets risk: The chance the stocks of companies located in emerging markets will be substantially more volatile, and substantially less liquid, than the stocks of companies located in more developed foreign markets.

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

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.

China A-shares risk: The chance that the fund may not be able to access a sufficient amount of China A-shares to track its target index. China A-shares are only available to foreign investors through a quota license or the China Stock Connect program.

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.

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Vanguard Institutional Index Fund

Domestic stock fund | Institutional Plus Shares

Fund facts

Risk level Low ← → High					Total net assets	Expense ratio as of 04/28/20	Ticker symbol	Turnover rate as of 12/31/19	Inception date	Fund number
1	2	3	4	5	\$128,901 MM	0.02%	VIIIIX	4.4%	07/07/97	0854

Investment objective

Vanguard Institutional Index Fund seeks to track the performance of a benchmark index that measures the investment return of large-capitalization stocks.

Investment strategy

The fund employs an indexing investment approach designed to track the performance of the Standard & Poor's 500 Index, which is dominated by the stocks of large U.S. companies. The fund attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index.

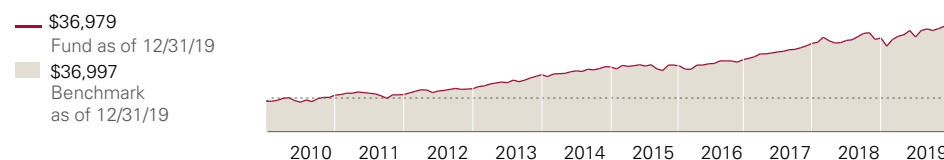
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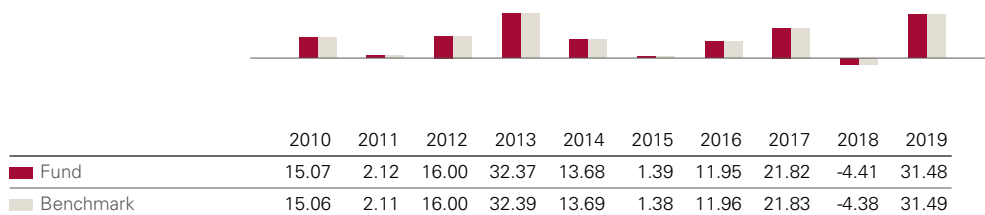
Benchmark

S&P 500 Index

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



Annual returns



Total returns

Periods ended September 30, 2020

	Quarter	Year to date	One year	Three years	Five years	Ten years
Fund	8.93%	5.58%	15.15%	12.27%	14.14%	13.74%
Benchmark	8.93%	5.57%	15.15%	12.28%	14.15%	13.74%

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Vanguard Institutional Index Fund

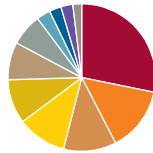
Domestic stock fund | Institutional Plus Shares

Ten largest holdings*

1	Apple Inc.	
2	Microsoft Corp.	
3	Amazon.com Inc.	
4	Alphabet Inc.	
5	Facebook Inc.	
6	Berkshire Hathaway Inc.	
7	Johnson & Johnson	
8	Procter & Gamble Co.	
9	Visa Inc.	
10	NVIDIA Corp.	
Top 10 as % of total net assets		29.1%

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

Sector Diversification



Information Tech	28.2%
Health Care	14.2
Consumer Discretionary	11.6
Communication Services	10.8
Financials	9.7
Industrials	8.3

Consumer Staples	7.0
Utilities	3.0
Materials	2.6
Real Estate	2.6
Energy	2.0
Other	0.0

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Plain talk about risk

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Stock market risk: The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices. The fund's target index may, at times, become focused in stocks of a particular sector, category, or group of companies. Because the fund seeks to track its target index, the fund may underperform the overall stock market.

Investment style risk: The chance that returns from large-capitalization stocks will trail returns from the overall stock market. Large-cap stocks tend to go through cycles of doing better—or worse—than other segments of the stock market or the stock market in general. These periods have, in the past, lasted for as long as several years.

Note on frequent trading restrictions

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Vanguard Short-Term Inflation-Protected Securities Index Fund

Bond fund | Institutional Shares

Fund facts

Risk level Low <-----> High					Total net assets	Expense ratio as of 01/31/20	Ticker symbol	Turnover rate as of 09/30/20	Inception date	Fund number
1	2	3	4	5	\$11,880 MM	0.04%	VTSPX	23.6%	10/17/12	1867

Investment objective

Vanguard Short-Term Inflation-Protected Securities Index Fund seeks to track the performance of a benchmark index that measures the investment return of inflation-protected public obligations of the U.S. Treasury with remaining maturities of less than five years.

Investment strategy

The fund employs an indexing investment approach designed to track the performance of the Bloomberg Barclays U.S. Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index. The index is a market-capitalization-weighted index that includes all inflation-protected public obligations issued by the U.S. Treasury with remaining maturities of less than five years. The fund attempts to replicate the target index by investing all, or most, of its assets in the securities that make up the index, holding each security in approximately the same proportion as its weighting in the index.

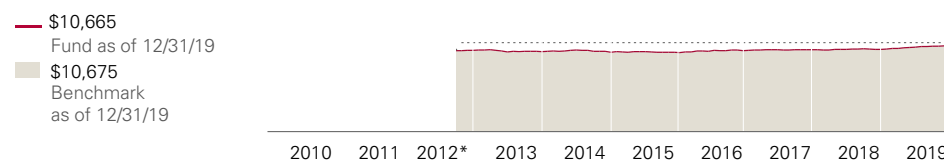
For the most up-to-date fund data, please scan the QR code below.



Benchmark

BloomBarc US 0-5 Year TIPS Index

Growth of a \$10,000 investment : October 31, 2012—December 31, 2019



Annual returns

	2010	2011	2012*	2013	2014	2015	2016	2017	2018	2019
Fund	—	—	0.54	-1.53	-1.11	-0.17	2.76	0.83	0.59	4.82
Benchmark	—	—	0.28	-1.59	-1.13	-0.02	2.81	0.88	0.59	4.85

Total returns

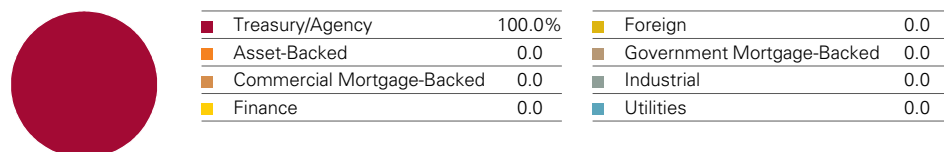
Periods ended September 30, 2020

	Quarter	Year to date	One year	Three years	Five years	Since inception
Fund	1.71%	3.65%	4.73%	3.06%	2.43%	1.28%
Benchmark	1.75%	3.71%	4.89%	3.10%	2.48%	—

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Distribution by issuer—bonds



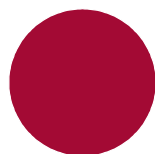
* Partial return since fund started, October 17, 2012.

BloomBarc US 0-5 Year TIPS Index: Includes inflation-protected public obligations issued by the U.S. Treasury with remaining maturities of less than five years.

Vanguard Short-Term Inflation-Protected Securities Index Fund

Bond fund | Institutional Shares

Distribution by credit quality†



■ U.S. Government	100.0
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Plain talk about risk

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

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

Interest rate risk: The chance that the value of a bond will fluctuate due to a change in the level of interest rates. Although inflation-indexed bonds seek to provide inflation protection, their prices may decline when interest rates rise and vice versa. Because the fund's dollar-weighted average maturity is expected to be 5 years or less, interest rate risk is expected to be low for the fund.

†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.

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