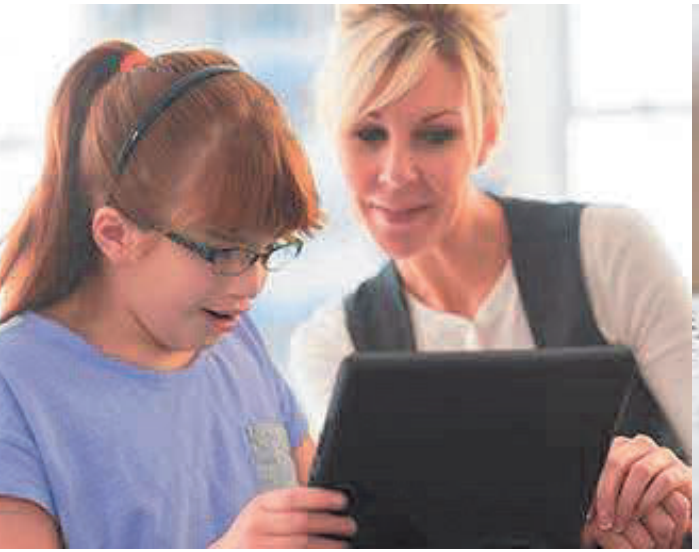






# National ABLE Alliance

NAA Due Diligence Review

April 28, 2026

# NAA Portfolio Review

# NAA Investment Review Summary

## Topics

- Performance Review
  - Portfolios performing in line with benchmarks for the quarter and full year adjusting for fees
- Competitive Performance Review
  - Definitive comparisons made challenging by different equity allocations amongst competitors
  - National ABLE plan is performing in the middle of the pack in comparison to other ABLE plans
  - The diversified allocation of the portfolio has been outperformed by peers over the last three years with very strong equity returns
  - Real Estate performance has dragged down the equity returns over the last few years. Real Estate does help protect returns in down markets, but high interest rates have increased credit risk limiting returns.
  - Over the past year the allocation to International Equities and High Yield Bonds were the biggest contributors to relative performance against peers
- Fee and Benchmark Studies
  - Benchmarks providing adequate breadth and depth of market exposure
  - Fees for underlying passive funds all 4$^{th}$ percentile or better
    - Active High Yield fund 6$^{th}$ percentile
- Annual Asset Allocation Process
  - Process rooted in mean-variance optimization techniques
  - Annual review based on updated Capital Market Assumptions and proprietary Monte Carlo tools

# Performance Review

# Portfolio Level Asset Allocation by State

## Total Assets: $825,192,457

As of 03/31/26

| 4 Most Aggressive Portfolios Allocation | 4 Most Conservative Portfolios Allocation | Plan Name | Aggressive Option | Moderately Aggressive Option | Growth Option | Moderate Option | Moderately Conservative Option | Conservative Option | Money Market Option | Checking Account Option | Total Assets |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 57.27% | 42.73% | NC ABLE | 19.74% | 13.40% | 14.55% | 9.59% | 6.14% | 11.11% | 2.66% | 22.81% | $45,207,979 |
| 53.06% | 46.94% | PA ABLE | 16.02% | 11.68% | 14.40% | 10.96% | 8.43% | 16.24% | 2.14% | 20.13% | $200,772,337 |
| 55.27% | 44.73% | DC ABLE | 23.79% | 16.34% | 11.45% | 3.69% | 3.30% | 14.11% | 1.94% | 25.38% | $5,234,746 |
| 48.77% | 51.23% | INvestABLE Indiana | 15.17% | 10.87% | 14.04% | 8.70% | 8.26% | 13.30% | 3.23% | 26.44% | $32,768,999 |
| 46.55% | 53.45% | Illinois ABLE | 15.57% | 11.40% | 11.86% | 7.73% | 4.76% | 27.03% | 2.05% | 19.61% | $120,201,345 |
| 45.24% | 54.76% | MI ABLE | 17.41% | 9.89% | 10.68% | 7.26% | 4.74% | 15.86% | 2.28% | 31.88% | $87,429,578 |
| 44.08% | 55.92% | RI's ABLE | 12.03% | 7.78% | 12.43% | 11.83% | 7.44% | 21.67% | 1.66% | 25.15% | $8,723,010 |
| 43.38% | 56.62% | Minnesota ABLE Plan | 9.38% | 9.67% | 12.70% | 11.64% | 9.96% | 16.57% | 2.21% | 27.88% | $74,242,840 |
| 42.80% | 57.20% | DEPENDABLE | 12.84% | 10.05% | 9.65% | 10.26% | 6.30% | 8.87% | 2.35% | 39.68% | $9,278,733 |
| 42.06% | 57.94% | Alaska ABLE Plan | 11.05% | 10.05% | 10.89% | 10.06% | 10.04% | 22.21% | 1.91% | 23.78% | $19,681,217 |
| 42.26% | 57.74% | Mississippi ABLE | 13.12% | 11.31% | 11.70% | 6.13% | 4.67% | 19.47% | 1.99% | 31.62% | $5,446,735 |
| 40.91% | 59.09% | Kansas ABLE Savings Plan | 10.88% | 10.34% | 11.14% | 8.55% | 4.87% | 17.01% | 15.77% | 21.44% | $42,427,026 |
| 41.55% | 58.45% | NJ ABLE | 11.66% | 9.56% | 12.56% | 7.77% | 6.89% | 20.77% | 4.17% | 26.61% | $55,387,582 |
| 40.98% | 59.02% | IAble | 11.50% | 8.18% | 12.14% | 9.16% | 8.38% | 20.48% | 3.15% | 27.00% | $47,449,340 |
| 38.23% | 61.77% | ABLE CT | 10.64% | 10.40% | 9.24% | 7.96% | 7.71% | 23.82% | 7.00% | 23.24% | $16,863,637 |
| 36.44% | 63.56% | NH ABLE | 11.82% | 6.21% | 12.42% | 6.00% | 5.45% | 16.21% | 7.18% | 34.71% | $3,976,300 |
| 34.22% | 65.78% | Montana ABLE | 6.99% | 4.88% | 11.09% | 11.25% | 15.32% | 16.48% | 2.17% | 31.82% | $14,119,552 |
| 32.94% | 67.06% | ABLE Nevada | 12.44% | 7.36% | 6.79% | 6.35% | 5.78% | 39.22% | 1.06% | 20.99% | $25,405,602 |
| 32.75% | 67.25% | AR ABLE | 10.77% | 7.31% | 7.79% | 6.88% | 6.14% | 35.84% | 2.59% | 22.68% | $10,575,901 |
| | | | | | | | | | | | |
| 46.27% | 53.73% | National ABLE | 14.23% | 10.49% | 12.37% | 9.18% | 7.15% | 19.23% | 3.20% | 24.15% | $825,192,457 |
| 45.84% | 54.16% | National ABLE | 13.51% | 10.42% | 12.47% | 9.43% | 7.38% | 19.60% | 1.15% | 26.04% | $616,374,780 |

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# Portfolio Level Performance

## Total Assets: $825,192,457

**As of 03/31/26**

| Fund Name | Market Value | % of Plan | 3 Months | YTD | 1 Year | 3 Year | 5 Year | 10 Year | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|
| Aggressive Option | $117,417,888 | 14.23% | (1.26) | (1.26) | 18.15 | 14.54 | 7.34 | | 9.66 | 12/15/16 |
| ABLE Aggressive Custom Benchmark | | | (1.85) | (1.85) | 17.91 | 14.63 | 7.47 | | 9.96 | |
| **Variance** | | | **0.59** | **0.59** | **0.24** | **(0.09)** | **(0.13)** | | **(0.30)** | |
| Moderately Aggressive Option | $86,543,244 | 10.49% | (1.02) | (1.02) | 15.70 | 12.75 | 6.43 | | 8.51 | 12/15/16 |
| ABLE Moderately Aggressive Custom Benchmark | | | (1.47) | (1.47) | 15.48 | 12.86 | 6.58 | | 8.80 | |
| **Variance** | | | **0.45** | **0.45** | **0.22** | **(0.11)** | **(0.15)** | | **(0.29)** | |
| Growth Option | $102,070,280 | 12.37% | (0.82) | (0.82) | 13.46 | 10.98 | 5.51 | | 7.33 | 12/15/16 |
| ABLE Growth Custom Benchmark | | | (1.07) | (1.07) | 13.21 | 11.15 | 5.68 | | 7.63 | |
| **Variance** | | | **0.25** | **0.25** | **0.25** | **(0.17)** | **(0.17)** | | **(0.30)** | |
| Moderate Option | $75,748,942 | 9.18% | (0.51) | (0.51) | 11.12 | 9.21 | 4.57 | | 6.13 | 12/15/16 |
| ABLE Moderate Custom Benchmark | | | (0.69) | (0.69) | 10.82 | 9.40 | 4.73 | | 6.40 | |
| **Variance** | | | **0.18** | **0.18** | **0.30** | **(0.19)** | **(0.16)** | | **(0.27)** | |
| Moderately Conservative Option | $58,967,100 | 7.15% | (0.13) | (0.13) | 8.52 | 7.53 | 3.97 | | 4.86 | 12/15/16 |
| ABLE Moderately Conservative Custom Benchmark | | | (0.19) | (0.19) | 8.48 | 7.85 | 4.22 | | 5.14 | |
| **Variance** | | | **0.06** | **0.06** | **0.04** | **(0.32)** | **(0.25)** | | **(0.28)** | |
| Conservative Option | $158,718,554 | 19.23% | 0.38 | 0.38 | 5.49 | 5.29 | 3.11 | | 3.08 | 12/15/16 |
| ABLE Conservative Custom Benchmark | | | 0.43 | 0.43 | 5.52 | 5.79 | 3.48 | | 3.38 | |
| **Variance** | | | **(0.05)** | **(0.05)** | **(0.03)** | **(0.50)** | **(0.37)** | | **(0.30)** | |
| Money Market Option | $26,423,621 | 3.20% | 0.77 | 0.77 | 3.75 | | | | 3.83 | 12/13/24 |
| ABLE Money Market Benchmark | | | 0.88 | 0.88 | 4.12 | | | | 4.16 | |
| **Variance** | | | **(0.11)** | **(0.11)** | **(0.37)** | | | | **(0.33)** | |
| Checking Account Option | $199,302,828 | 24.15% | | | | | | | | 03/30/17 |

# Underlying Product Performance

## Total Assets: $825,192,457

**As of 03/31/26**

| 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 Stock Mkt Idx Instl Pls | 0.02% | -3.96% | -3.96% | 18.20% | 17.87% | 10.78% | 13.69% |
| CRSP US Total Market TR USD | | -3.96% | -3.96% | 18.21% | 17.86% | 10.78% | 13.68% |
| **Performance Variance** | | **0.00%** | **0.00%** | **-0.01%** | **0.01%** | **0.00%** | **0.01%** |
| Schwab US REIT ETF™ | 0.07% | 3.48% | 3.48% | 3.08% | 6.67% | 3.83% | 3.25% |
| Schwab Spliced REIT Index | | 3.53% | 3.53% | 3.15% | 6.76% | 3.91% | 3.32% |
| **Performance Variance** | | **-0.05%** | **-0.05%** | **-0.07%** | **-0.09%** | **-0.08%** | **-0.07%** |
| Vanguard Developed Markets Index Instl | 0.03% | 2.52% | 2.52% | 29.66% | 15.98% | 8.81% | 9.22% |
| Vanguard Spliced Developed ex US Index | | 0.21% | 0.21% | 27.70% | 15.26% | 8.32% | 8.93% |
| **Performance Variance** | | **2.31%** | **2.31%** | **1.96%** | **0.72%** | **0.49%** | **0.29%** |
| Vanguard Emerging Mkts Stock Idx Instl | 0.06% | -0.21% | -0.21% | 21.97% | 13.38% | 3.89% | 7.56% |
| Vanguard Spliced Emerging Markets Index | | -2.73% | -2.73% | 19.66% | 12.84% | 3.73% | 7.39% |
| **Performance Variance** | | **2.52%** | **2.52%** | **2.31%** | **0.54%** | **0.16%** | **0.17%** |

Past Performance is not indicative of future results

# Underlying Product Performance

## Total Assets: $825,192,457

As of 03/31/26

| 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 Index InstlPls | 0.02% | 0.06% | 0.06% | 4.34% | 3.63% | 0.35% | 1.71% |
| Vanguard Spliced Bloomberg US Aggregate Index | | -0.07% | -0.07% | 4.26% | 3.63% | 0.34% | 1.73% |
| **Performance Variance** | | **0.13%** | **0.13%** | **0.08%** | **0.00%** | **0.01%** | **-0.02%** |
| Vanguard Short-Term Bond Index Fund - Institutional Plus Shares | 0.02% | 0.12% | 0.12% | 4.12% | 4.29% | 1.69% | 1.98% |
| Vanguard Spliced Bloomberg US 1-5 Yr Index | | 0.14% | 0.14% | 4.15% | 4.33% | 1.71% | 2.02% |
| **Performance Variance** | | **-0.02%** | **-0.02%** | **-0.03%** | **-0.04%** | **-0.02%** | **-0.04%** |
| Vanguard Short-Term Inflation-Protected Securities Index Fund - Institutional Shares | 0.02% | 0.97% | 0.97% | 3.92% | 4.69% | 3.51% | 3.07% |
| Bloomberg US TIPS 0-5 Year TR USD | | 0.93% | 0.93% | 3.90% | 4.68% | 3.51% | 3.09% |
| **Performance Variance** | | **0.04%** | **0.04%** | **0.02%** | **0.01%** | **0.00%** | **-0.02%** |
| American Funds High Income F3 | 0.36% | 0.11% | 0.11% | 7.50% | 9.29% | 5.36% | 6.72% |
| Bloomberg US HY 2% Issuer Cap TR USD | | -0.50% | -0.50% | 7.01% | 8.60% | 4.22% | 6.12% |
| **Performance Variance** | | **0.61%** | **0.61%** | **0.49%** | **0.69%** | **1.14%** | **0.60%** |
| iShares Core International Aggregate Bond ETF | 0.07% | -0.24% | -0.24% | 2.93% | 4.39% | 0.97% | 2.21% |
| Bloomberg Gbl Agg xUSD 10% IC TR Hdg USD | | -0.17% | -0.17% | 3.04% | 4.57% | 1.07% | 2.33% |
| **Performance Variance** | | **-0.07%** | **-0.07%** | **-0.11%** | **-0.18%** | **-0.10%** | **-0.12%** |
| Vanguard Cash Reserve Federal Money Market Admiral* | 0.10% | 0.90% | 0.90% | 4.06% | 4.79% | 3.39% | 2.33% |
| Bloomberg US Treasury Bill 1-3 Mon TR | | 0.88% | 0.88% | 4.12% | 4.84% | 3.42% | 2.26% |
| **Performance Variance** | | **0.02%** | **0.02%** | **-0.06%** | **-0.05%** | **-0.03%** | **0.07%** |

*Current Yield is 3.57%



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Source: Performance data from Morningstar Direct.

# Competitive Performance Review

# ABLE Plan Comparison

**80%-100% Equity**
**as of 3/31/26**

| | | Asset Allocation | | | Expenses | | | Performance | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Plan | Fund | Equity | Bonds | Cash | Underlyng Fund Fees | Portfolio Fees | Total Fees | 1 Year | 3 Year | 5 Year |
| California ABLE | CA Growth Portfolio | 100.00% | 0.00% | 0.00% | 0.03% | 0.38% | 0.41% | 20.58% | | |
| Colorado ABLE | CO ABLE Aggressive | 90.00% | 9.50% | 0.50% | 0.04% | 0.26% | 0.30% | 19.01% | 15.00% | 7.61% |
| National ABLE | NAA Aggressive | 90.00% | 10.00% | 0.00% | 0.04% | 0.26% | 0.30% | 18.15% | 14.54% | 7.34% |
| Massachusetts ABLE | MA ABLE Aggressive Growth | 85.00% | 15.00% | 0.00% | 0.60% | 0.15% | 0.75% | 21.01% | 14.28% | 7.81% |
| Massachusetts ABLE | MA ABLE Multi-Asset Index | 85.00% | 15.00% | 0.00% | 0.08% | 0.07% | 0.15% | 18.52% | | |
| NY ABLE | NY Aggressive Option | 85.00% | 15.00% | 0.00% | 0.03% | 0.32% | 0.35% | 18.31% | 14.77% | 8.17% |
| Maryland ABLE Savings Plan | MD ABLE Aggressive | 84.00% | 16.00% | 0.00% | 0.05% | 0.30% | 0.35% | 18.69% | 13.82% | 7.26% |
| Louisiana ABLE | LA Vanguard LifeStrategy Growth | 80.00% | 20.00% | 0.00% | 0.10% | 0.00% | 0.10% | 18.45% | 14.25% | 7.69% |
| Texas ABLE | TX Aggressive Allocation Option | 80.00% | 15.00% | 5.00% | 0.12% | 0.25% | 0.37% | 18.23% | 14.20% | 7.70% |
| OH Stable Accounts | STABLE Growth Option | 80.00% | 20.00% | 0.00% | 0.10% | 0.19% | 0.29% | 18.23% | 14.40% | 7.48% |
| Oregon ABLE Savings Plan | OR ABLE Aggressive | 80.00% | 20.00% | 0.00% | 0.03% | 0.30% | 0.33% | 17.93% | 13.70% | 7.17% |
| Washington ABLE Savings Plan | WA ABLE Aggressive | 80.00% | 20.00% | 0.00% | 0.05% | 0.30% | 0.35% | 17.55% | 13.39% | 6.91% |
| ENABLE | NE Growth Option | 80.00% | 20.00% | 0.00% | 0.04% | 0.40% | 0.44% | 17.11% | 14.00% | 7.63% |
| California ABLE | CA Moderate Growth Portfolio | 80.00% | 20.00% | 0.00% | 0.03% | 0.38% | 0.41% | 17.03% | 13.92% | |
| Alabama ABLE | AL ABLE Aggressive | 80.00% | 20.00% | 0.00% | 0.03% | 0.30% | 0.33% | 16.69% | | |
| Florida ABLE | FL ABLE Growth | 80.00% | 20.00% | 0.00% | 0.03% | 0.30% | 0.33% | 16.38% | 13.98% | 8.03% |
| Virginia ABLE NOW | VA Aggressive Growth Portfolio | 80.00% | 20.00% | 0.00% | 0.03% | 0.15% | 0.18% | | | |

Best Performer
2nd Best Performer
3rd Best Performer

# ABLE Plan Comparison

**60%-79% Equity**
**as of 3/31/26**

| Plan | Fund | Equity | Bonds | Cash | Underlyng Fund Fees | Portfolio Fees | Total Fees | 1 Year | 3 Year | 5 Year |
|---|---|---|---|---|---|---|---|---|---|---|
| Colorado ABLE | CO ABLE Moderately Aggressive | 75.00% | 23.75% | 1.25% | 0.04% | 0.26% | 0.30% | 16.43% | 13.17% | 6.67% |
| National ABLE | NAA Moderately Aggressive | 75.00% | 25.00% | 0.00% | 0.04% | 0.26% | 0.30% | 15.70% | 12.75% | 6.43% |
| Massachusetts ABLE | MA ABLE Growth | 70.00% | 25.00% | 5.00% | 0.59% | 0.15% | 0.74% | 18.09% | 12.40% | 6.67% |
| Massachusetts ABLE | MA ALE Moderate Growth | 60.00% | 35.00% | 5.00% | 0.60% | 0.15% | 0.75% | 16.07% | 11.15% | 5.78% |
| Louisiana ABLE | LA Vanguard LifeStrategy Moderate Growth | 60.00% | 40.00% | 0.00% | 0.10% | 0.00% | 0.10% | 14.77% | 11.57% | 5.86% |
| OH Stable Accounts | STABLE Moderate Option | 60.00% | 40.00% | 0.00% | 0.10% | 0.19% | 0.29% | 14.56% | 11.67% | 5.66% |
| Texas ABLE | TX Moderate Allocation Option | 60.00% | 30.00% | 10.00% | 0.20% | 0.25% | 0.45% | 14.48% | 11.84% | 6.20% |
| NY ABLE | NY Moderate Option | 60.00% | 35.00% | 5.00% | 0.03% | 0.32% | 0.35% | 13.90% | 11.48% | 6.15% |
| Colorado ABLE | CO ABLE Growth | 60.00% | 35.00% | 5.00% | 0.04% | 0.26% | 0.30% | 13.88% | 11.27% | 5.67% |
| ENABLE | NE Moderate Option | 60.00% | 35.00% | 5.00% | 0.04% | 0.40% | 0.44% | 13.79% | 11.38% | 5.96% |
| California ABLE | CA Conservative Growth Portfolio | 60.00% | 40.00% | 0.00% | 0.03% | 0.38% | 0.41% | 13.62% | | |
| National ABLE | NAA Growth | 60.00% | 40.00% | 0.00% | 0.04% | 0.26% | 0.30% | 13.46% | 10.98% | 5.51% |
| Alabama ABLE | AL ABLE Moderate | 60.00% | 40.00% | 0.00% | 0.03% | 0.30% | 0.33% | 13.16% | | |
| Florida ABLE | FL ABLE Moderate | 60.00% | 40.00% | 0.00% | 0.03% | 0.30% | 0.33% | 13.10% | 11.42% | 6.15% |
| Virginia ABLE NOW | VA Moderate Growth Portfolio | 60.00% | 40.00% | 0.00% | 0.03% | 0.15% | 0.18% | | | |

Best Performer
2nd Best Performer
3rd Best Performer

# ABLE Plan Comparison

**40%-59% Equity**
**as of 3/31/26**

| | | Asset Allocation | | | Expenses | | | Performance | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Plan | Fund | Equity | Bonds | Cash | Underlyng Fund Fees | Portfolio Fees | Total Fees | 1 Year | 3 Year | 5 Year |
| Massachusetts ABLE | MA ABLE Balanced Portfolio | 50.00% | 40.00% | 10.00% | 0.51% | 0.15% | 0.66% | 14.35% | 10.03% | 5.11% |
| Maryland ABLE Savings Plan | MD ABLE Moderate | 50.00% | 50.00% | 0.00% | 0.04% | 0.30% | 0.34% | 12.74% | 9.58% | 4.39% |
| Washington ABLE Savings Plan | WA ABLE Moderate | 50.00% | 50.00% | 0.00% | 0.05% | 0.30% | 0.35% | 12.47% | 9.60% | 4.41% |
| Oregon ABLE Savings Plan | OR ABLE Moderate | 50.00% | 50.00% | 0.00% | 0.03% | 0.30% | 0.33% | 12.45% | 9.79% | 4.56% |
| California ABLE | CA Balanced Portfolio | 50.00% | 50.00% | 0.00% | 0.03% | 0.38% | 0.41% | 12.02% | 9.98% | |
| Colorado ABLE | CO ABLE Moderate | 45.00% | 47.50% | 7.50% | 0.04% | 0.26% | 0.30% | 11.39% | 9.46% | 4.71% |
| National ABLE | NAA Moderate | 45.00% | 55.00% | 0.00% | 0.04% | 0.26% | 0.30% | 11.12% | 9.21% | 4.57% |
| Massachusetts ABLE | MA ABLE Moderate Income | 40.00% | 45.00% | 15.00% | 0.48% | 0.15% | 0.63% | 12.39% | 8.82% | 4.43% |
| Louisiana ABLE | LA Vanguard LifeStrategy Conservative Growth | 40.00% | 60.00% | 0.00% | 0.10% | 0.00% | 0.10% | 11.12% | 8.93% | 4.04% |
| OH Stable Accounts | STABLE Conservartive Growth Option | 40.00% | 60.00% | 0.00% | 0.10% | 0.19% | 0.29% | 10.91% | 8.98% | 3.83% |
| California ABLE | CA Income and Growth Portfolio | 40.00% | 60.00% | 0.00% | 0.04% | 0.38% | 0.42% | 10.51% | | |
| Florida ABLE | FL ABLE Conservative | 40.00% | 50.00% | 10.00% | 0.03% | 0.30% | 0.33% | 10.15% | 8.93% | 4.55% |

Best Performer
2nd Best Performer
3rd Best Performer

# ABLE Plan Comparison

**20%-39% Equity**
**as of 3/31/26**

| | | Asset Allocation | | | Expenses | | | Performance | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Plan | Fund | Equity | Bonds | Cash | Underlyng Fund Fees | Portfolio Fees | Total Fees | 1 Year | 3 Year | 5 Year |
| NY ABLE | NY Intermediate Option | 35.00% | 40.00% | 25.00% | 0.02% | 0.33% | 0.35% | 9.61% | 8.31% | 4.45% |
| Massachusetts ABLE | MA ABLE Income | 30.00% | 50.00% | 20.00% | 0.47% | 0.15% | 0.62% | 10.46% | 7.62% | 3.68% |
| Colorado ABLE | CO ABLE Moderately Conservative | 30.00% | 45.00% | 25.00% | 0.03% | 0.26% | 0.29% | 8.73% | 7.60% | 4.01% |
| ENABLE | NE Conservative Option | 30.00% | 55.00% | 15.00% | 0.04% | 0.40% | 0.44% | 8.68% | 7.71% | 4.09% |
| National ABLE | NAA Moderately Conservative | 30.00% | 45.00% | 25.00% | 0.05% | 0.26% | 0.31% | 8.52% | 7.53% | 3.97% |
| Alabama ABLE | AL ABLE Conservative | 30.00% | 70.00% | 0.00% | 0.03% | 0.30% | 0.33% | 8.30% | | |
| Texas ABLE | TX Moderately Conservative Allocation Option | 25.00% | 60.00% | 15.00% | 0.31% | 0.25% | 0.56% | 8.40% | 7.67% | 3.30% |
| Massachusetts ABLE | MA ABLE Conservative Income | 20.00% | 50.00% | 30.00% | 0.46% | 0.15% | 0.61% | 8.51% | 6.42% | 3.04% |
| Maryland ABLE Savings Plan | MD ABLE Conservative | 20.00% | 80.00% | 0.00% | 0.04% | 0.30% | 0.34% | 7.58% | 6.21% | 2.53% |
| California ABLE | CA Conservative Portfolio | 20.00% | 80.00% | 0.00% | 0.05% | 0.38% | 0.43% | 7.50% | 6.64% | |
| Oregon ABLE Savings Plan | OR ABLE Conservative | 20.00% | 80.00% | 0.00% | 0.03% | 0.30% | 0.33% | 7.44% | 6.31% | 2.60% |
| Washington ABLE Savings Plan | WA ABLE Conservative | 20.00% | 80.00% | 0.00% | 0.05% | 0.30% | 0.35% | 7.43% | 6.17% | 2.55% |
| Louisiana ABLE | LA Vanguard LifeStrategy Income | 20.00% | 80.00% | 0.00% | 0.10% | 0.00% | 0.10% | 7.40% | 6.25% | 2.15% |
| OH Stable Accounts | STABLE Income Option | 20.00% | 80.00% | 0.00% | 0.10% | 0.19% | 0.29% | 7.20% | 6.27% | 1.96% |
| Virginia ABLE NOW | VA Conservative Income Portfolio | 20.00% | 80.00% | 0.00% | 0.03% | 0.15% | 0.18% | | | |

Best Performer
2nd Best Performer
3rd Best Performer

# ABLE Plan Comparison

**1%-19% Equity**
**as of 3/31/26**

| | | Asset Allocation | | | Expenses | | | Performance | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Plan | Fund | Equity | Bonds | Cash | Underlyng Fund Fees | Portfolio Fees | Total Fees | 1 Year | 3 Year | 5 Year |
| NY ABLE | NY Conservative Option | 15.00% | 35.00% | 50.00% | 0.01% | 0.34% | 0.35% | 6.02% | 5.73% | 3.15% |
| Texas ABLE | TX Conservative Allocation Option | 10.00% | 75.00% | 15.00% | 0.35% | 0.25% | 0.60% | 5.75% | 5.76% | |
| National ABLE | NAA Conservative | 10.00% | 30.00% | 60.00% | 0.07% | 0.26% | 0.33% | 5.49% | 5.29% | 3.11% |
| Colorado ABLE | CO ABLE Conservative | 10.00% | 30.00% | 60.00% | 0.01% | 0.26% | 0.27% | 5.41% | 5.24% | 3.07% |
| California ABLE | CA Income Portfolio | 0.00% | 80.00% | 20.00% | 0.07% | 0.38% | 0.45% | 4.18% | | |
| Maryland ABLE Savings Plan | MD ABLE Fixed Income | 0.00% | 100.00% | 0.00% | 0.04% | 0.30% | 0.34% | 3.90% | 3.66% | |

Best Performer
2nd Best Performer
3rd Best Performer

# Savings Option Yield Comparison

as of 3/31/26

| Plan | Portfolio | Savings Option Yield |
|---|---|---|
| Florida ABLE | State Investment Pool | 3.80% |
| Virginia ABLE NOW | Money Market Portfolio | 3.65% |
| Louisiana ABLE | Short Term Liquidity | 3.63% |
| NY ABLE | Savings Option | 3.62% |
| Oregon ABLE Savings Plan | Cash Option | 3.61% |
| Washington ABLE Savings Plan | Cash Option | 3.61% |
| Alabama ABLE | Cash Option | 3.61% |
| Florida ABLE | FDIC Savings Fund | 3.60% |
| National ABLE | Money Market Option | 3.58% |
| Maryland ABLE Savings Plan | Cash Option | 3.53% |
| OH Stable Accounts | BankSafe Option | 3.48% |
| ENABLE | Bank Savings Option | 3.22% |
| Massachusetts ABLE | Money Market Portfolio | 3.19% |
| Texas ABLE | Bank Option | 2.88% |
| California ABLE | FDIC Account Portfolio | 1.46% |

# Fee, Asset Allocation, and Benchmark Studies

# Fee Study

as of 3/31/26

## Fee Study for underlying funds (as of 3/31/26)

| Underlying Fund Names | Asset Category | Underlying Expense | AUM | Funds in Asset Category | Cheaper Alternatives | Percentile among available alternatives |
|---|---|---|---|---|---|---|
| Vanguard Total Stock Market Index Fund - Institutional Plus | Large Blend | 0.02% | $169.4 M | 1416 | 6 | 1% |
| Schwab U.S. REIT ETF | Real Estate | 0.07% | $26.9 M | 221 | 0 | 1% |
| Vanguard Developed Market Index Instl | Foreign Large Blend (future) | 0.03% | $72.4 M | 725 | 1 | 1% |
| Vanguard Emerging Markets Stock Index Instl | Emerging Markets (future) | 0.09% | $30.8 M | 759 | 1 | 1% |
| Vanguard Total Bond Market Index Fund - Institutional Plus Shares | Intermediate Term Bond | 0.02% | $111.8 M | 466 | 2 | 1% |
| Vanguard Short-Term Bond Index Fund - Institutional Plus Shares | Short Term Bond | 0.03% | $23.2 M | 566 | 0 | 1% |
| Vanguard Short-Term Inflation-Protected Securities Index Fund - Institutional Shares | Inflation Protected Bonds | 0.03% | $23.2 M | 228 | 0 | 1% |
| American Funds High Income F3 | High Yield | 0.32% | $12.9 M | 638 | 40 | 6% |
| iShares® Core International Aggregate Bond ETF | World Bond | 0.07% | $19.0 M | 111 | 3 | 4% |
| Vanguard Cash Reserve Federal Money Market - Admiral | Money Market Taxable | 0.10% | $136.4 M | 660 | 8 | 1% |

# Asset Allocation Study

as of 3/31/26

## NAA Portfolios Versus Peer Groups

| Fund Name | Equity Percentage | Peer Category | Percentile through 3/31/26 1 Year | 3 Year | 5 Year |
|---|---|---|---|---|---|
| Aggressive Option | 90% | Aggressive Allocation | 43 | 39 | 48 |
| Moderately Aggressive Option | 75% | Moderately Aggressive Allocation | 23 | 30 | 58 |
| Growth Option | 60% | Moderate Allocation | 20 | 28 | 52 |
| Moderate Option | 45% | Moderate Allocation | 49 | 68 | 73 |
| Moderately Conservative Option | 30% | Moderately Conservative Allocation | 66 | 68 | 46 |
| Conservative Option | 10% | Consrevative Allocation | 50 | 42 | 18 |
| Money Market Option | 0% | Money Market Taxable | 62 | | |
| | | Average | 45 | 46 | 49 |

| Peer Category | Equity Allocation Range |
|---|---|
| Aggressive Allocation | 80%+ |
| Moderately Aggressive Allocation | 60%+-80% |
| Moderate Allocation | 40%+-60% |
| Moderately Conservative Allocation | 20%+-40% |
| Conservative Allocation | Below 20% |

# Benchmark Study

as of 3/31/26

## Underlying Benchmarks Versus Morningstar Peer Groups

| Benchmarks as of 3/31/26 | | | | |
|---|---|---|---|---|
| | | | | |
| Benchmark | Morningstar Peer Group | Percentile through 3/31/26 | | |
| | | 1 Year | 3 Year | 5 Year |
| CRSP US Total Market TR USD | Large Blend | 27 | 37 | 48 |
| Vanguard Spliced Developed ex US Index | Foreign Large Blend | 20 | 33 | 30 |
| Vanguard Spliced Emerging Markets Index | Diversified Emerging Mkts | 89 | 76 | 61 |
| Schwab Spliced REIT Index | Real Estate | 44 | 41 | 42 |
| Vanguard Spliced Bloomberg US Aggregate Index | Intermediate Core Bond | 54 | 54 | 40 |
| Vanguard Spliced Bloomberg US 1-5 Yr Index | Short-Term Bond | 68 | 83 | 84 |
| Bloomberg US TIPS 0-5 Year TR USD | Short-Term Inflation-Protected Bond | 21 | 23 | 20 |
| Bloomberg US HY 2% Issuer Cap TR USD | High Yield Bond | 33 | 20 | 31 |
| Bloomberg Gbl Agg xUSD 10% IC TR Hdg USD | Global Bond-USD Hedged | 62 | 31 | 26 |
| Bloomberg US Treasury Bill 1-3 Mon TR | Money Market-Taxable | 1 | 1 | 1 |
| | | | | |
| | Average | 42 | 40 | 38 |
| | Average Equity | 45 | 47 | 45 |
| | Average Fixed Income | 40 | 35 | 34 |

# Annual Asset Allocation Process

# Asset Allocation Design

- Portfolio asset allocation recommendations are based on updated capital market assumptions (CMA's)
  - Other considerations include availability of products in the marketplace and the unique needs of the ABLE savers
- AIA uses a blend of CMA's from various industry sources, including investment consultants and asset managers
  - Multi-horizon CMA's in all asset classes
- Strategic Asset Allocation is foundation
  - Based on longer-term optimization models
  - Qualitative adjustments based on needs of savers and learnings form annual CMA's
  - AIA focus is medium/long term so less focus on short-term market swings

# Capital Market Expectations

**10+Year CMAs**

| | 2026 | | | 2025 | | |
|---|---|---|---|---|---|---|
| Asset Class | Expected Return | Standard Deviation | Return / Risk | Asset Class | Expected Return | Standard Deviation | Return / Risk |
| US Equity | 5.52% | 17.31% | 0.32 | US Equity | 6.58% | 17.50% | 0.38 |
| Large Cap | 5.51% | 16.82% | 0.33 | Large Cap | 6.80% | 17.10% | 0.40 |
| Mid Cap | 5.32% | 18.14% | 0.29 | Mid Cap | 6.09% | 19.42% | 0.31 |
| Small Cap | 6.03% | 20.70% | 0.29 | Small Cap | 7.07% | 21.74% | 0.33 |
| Utilities / Infrastructure | 6.07% | 12.93% | 0.47 | | | | |
| US Real Estate | 6.26% | 17.84% | 0.35 | US Real Estate | 6.52% | 17.37% | 0.38 |
| Intl Dev Mkts | 7.04% | 16.83% | 0.42 | Intl Dev Mkts | 8.15% | 17.27% | 0.47 |
| Emerging Markets | 6.44% | 21.33% | 0.30 | Emerging Markets | 8.25% | 21.87% | 0.38 |
| Intermediate Term Bond | 4.37% | 5.23% | 0.84 | Intermediate Term Bond | 4.57% | 4.72% | 0.97 |
| TIPS | 4.54% | 5.28% | 0.86 | TIPS | 4.28% | 5.91% | 0.72 |
| Short Term Bond | 3.33% | 1.66% | 2.01 | Short Term Bond | 3.91% | 1.58% | 2.47 |
| High Yield | 5.88% | 7.15% | 0.82 | High Yield | 6.15% | 8.74% | 0.70 |
| US Govt Bond | 4.08% | 5.14% | 0.79 | US Govt Bond | 4.28% | 6.96% | 0.61 |
| International Bond | 4.12% | 4.60% | 0.89 | International Bond | 4.98% | 7.03% | 0.71 |
| Capital Preservation | 3.43% | 1.01% | 3.40 | Capital Preservation | 3.52% | 0.61% | 5.79 |

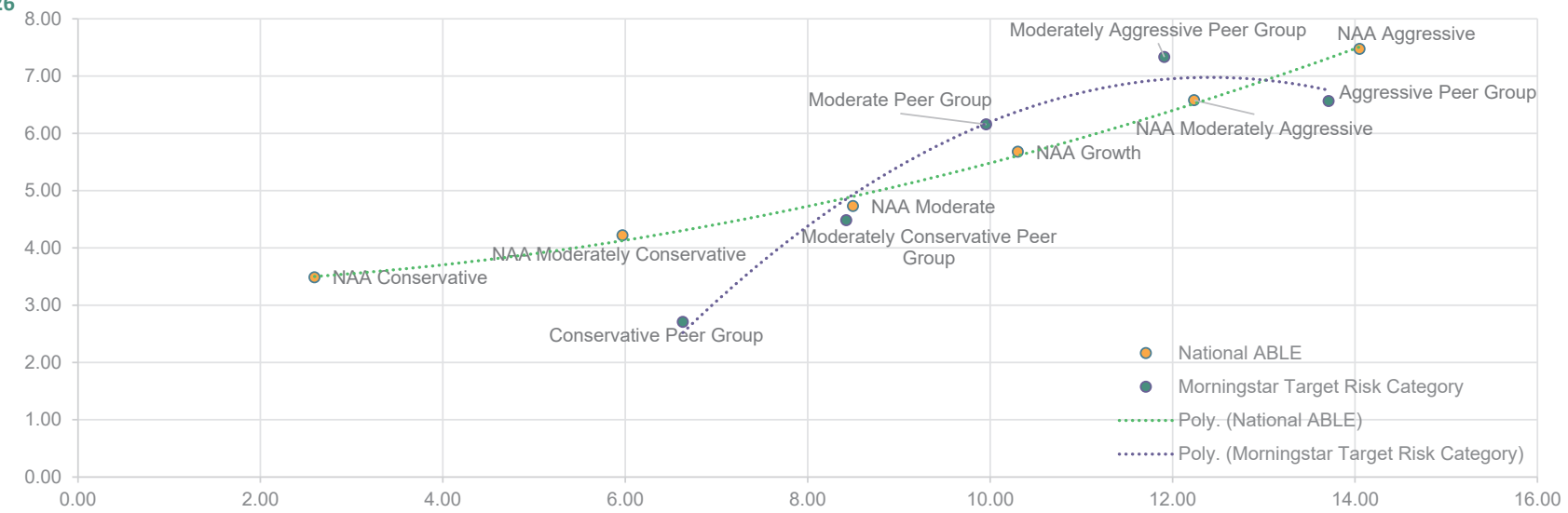
# Simulation use in Optimizing portfolios

- As part of the process to determine asset class allocations, we incorporate a highly quantitative return simulation process to optimize both risk and return for each portfolio
- Simulation incorporates CMA's – this includes expected return and volatility for each asset class, as well as covariances between asset classes (covariance can explain how each asset class interacts with each other and help determine ideal diversification)
- Using all this data, the strategy simulates how markets may move, we run his simulation 5,000 times and use it's results to determine the optimal asset allocation.

| | | | *Large* | *Mid* | *Small* | *US Real Estate* | *Utilities* | *Intl Dev Markets* | *Emerging Markets* | *Int Term Bond* | *TIPS* | *High Yield* | *Short Term Bond* | *International Bond* | *Capital Preservation* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Geometric Return** | **Asset Class** | **Standard Deviation** | *16.82%* | *18.14%* | *20.70%* | *17.84%* | *12.93%* | *16.83%* | *21.33%* | *5.23%* | *5.28%* | *7.15%* | *1.66%* | *4.60%* | *1.01%* |
| 5.51% | Large | **16.82%** | 1.00 | 0.94 | 0.87 | 0.85 | 0.70 | 0.83 | 0.68 | 0.63 | 0.66 | 0.85 | 0.60 | 0.71 | 0.42 |
| 5.32% | Mid | **18.14%** | 0.94 | 1.00 | 0.97 | 0.86 | 0.67 | 0.81 | 0.63 | 0.57 | 0.61 | 0.83 | 0.56 | 0.64 | 0.38 |
| 6.03% | Small | **20.70%** | 0.87 | 0.97 | 1.00 | 0.81 | 0.58 | 0.75 | 0.59 | 0.53 | 0.56 | 0.79 | 0.53 | 0.59 | 0.35 |
| 6.26% | US Real Estate | **17.84%** | 0.85 | 0.86 | 0.81 | 1.00 | 0.71 | 0.80 | 0.61 | 0.69 | 0.72 | 0.79 | 0.62 | 0.71 | 0.35 |
| 6.07% | Utilities | **12.93%** | 0.70 | 0.67 | 0.58 | 0.71 | 1.00 | 0.68 | 0.51 | 0.52 | 0.60 | 0.58 | 0.46 | 0.53 | 0.24 |
| 7.04% | Intl Dev Markets | **16.83%** | 0.83 | 0.81 | 0.75 | 0.80 | 0.68 | 1.00 | 0.84 | 0.75 | 0.71 | 0.84 | 0.75 | 0.76 | 0.53 |
| 6.44% | Emerging Markets | **21.33%** | 0.68 | 0.63 | 0.59 | 0.61 | 0.51 | 0.84 | 1.00 | 0.66 | 0.52 | 0.69 | 0.67 | 0.65 | 0.54 |
| 4.37% | Int Term Bond | **5.23%** | 0.63 | 0.57 | 0.53 | 0.69 | 0.52 | 0.75 | 0.66 | 1.00 | 0.82 | 0.76 | 0.94 | 0.95 | 0.63 |
| 4.54% | TIPS | **5.28%** | 0.66 | 0.61 | 0.56 | 0.72 | 0.60 | 0.71 | 0.52 | 0.82 | 1.00 | 0.77 | 0.80 | 0.83 | 0.45 |
| 5.88% | High Yield | **7.15%** | 0.85 | 0.83 | 0.79 | 0.79 | 0.58 | 0.84 | 0.69 | 0.76 | 0.77 | 1.00 | 0.80 | 0.84 | 0.63 |
| 3.33% | Short Term Bond | **1.66%** | 0.60 | 0.56 | 0.53 | 0.62 | 0.46 | 0.75 | 0.67 | 0.94 | 0.80 | 0.80 | 1.00 | 0.92 | 0.80 |
| 4.12% | International Bond | **4.60%** | 0.71 | 0.64 | 0.59 | 0.71 | 0.53 | 0.76 | 0.65 | 0.95 | 0.83 | 0.84 | 0.92 | 1.00 | 0.67 |
| 3.43% | Capital Preservation | **1.01%** | 0.42 | 0.38 | 0.35 | 0.35 | 0.24 | 0.53 | 0.54 | 0.63 | 0.45 | 0.63 | 0.80 | 0.67 | 1.00 |

# 5 Year Risk Return Charts

As of 03/31/26

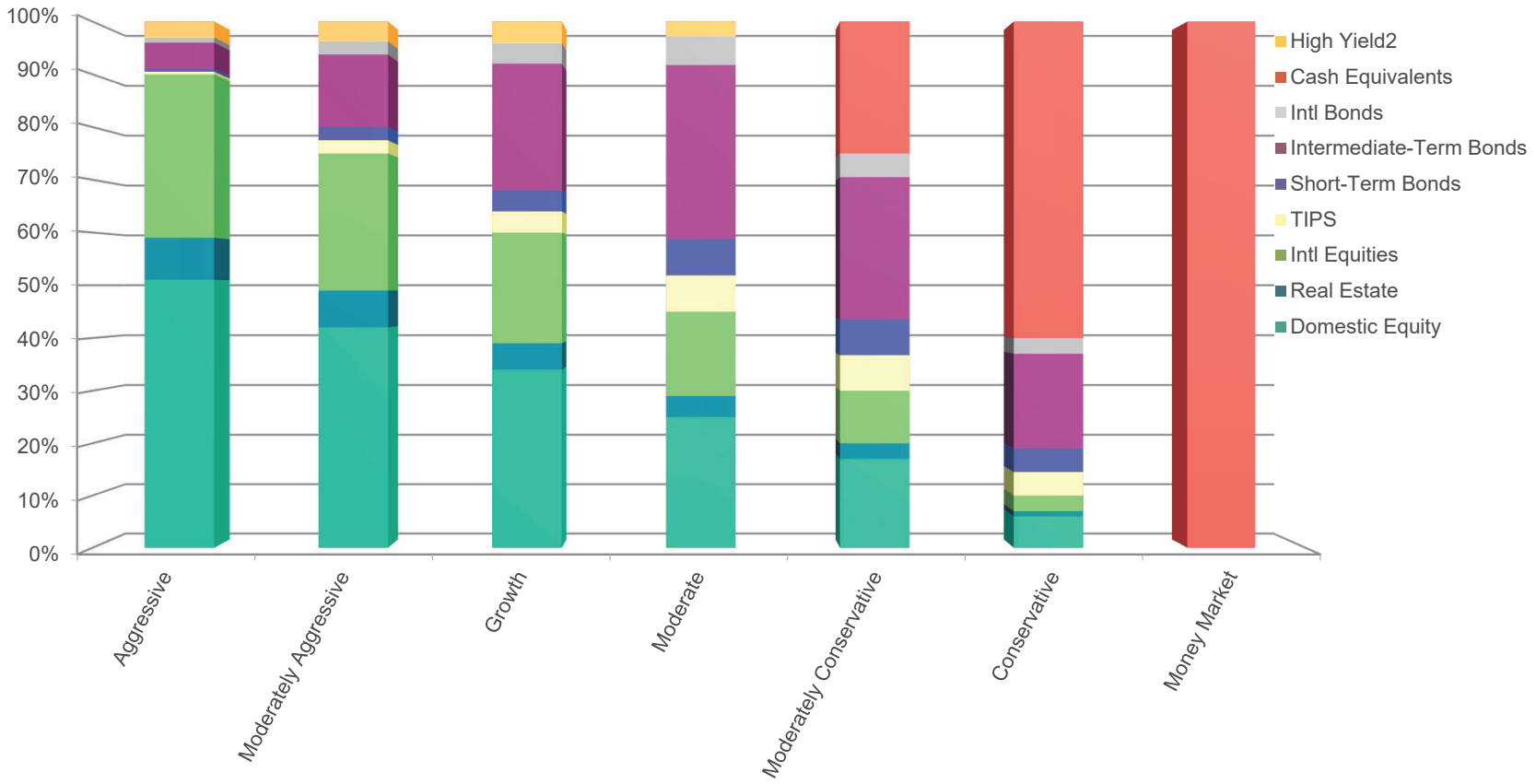



| Morningstar Category | Name | Asset Alloc Equity % (Net) | Asset Alloc Bond % (Net) | Asset Alloc Cash % (Net) |
|---|---|---|---|---|
| Aggressive Allocation | NAA Aggressive | 90.00 | 10.00 | 0.00 |
| | US Fund Aggressive Allocation | 92.13 | 4.44 | 3.43 |
| Moderately Aggressive Allocation | NAA Moderately Aggressive | 75.00 | 25.00 | 0.00 |
| | US Fund Moderately Aggressive Allocation | 81.99 | 15.18 | 2.83 |
| Moderate Allocation | NAA Growth | 60.00 | 40.00 | 0.00 |
| | US Fund Moderate Allocation | 62.22 | 35.05 | 2.73 |
| Moderately Conservative Allocation | NAA Moderate | 45.00 | 55.00 | 0.00 |
| | NAA Moderately Conservative | 30.00 | 45.00 | 25.00 |
| | US Fund Moderately Conservative Allocation | 41.28 | 53.84 | 4.88 |
| Conservative Allocation | NAA Conservative | 10.00 | 30.00 | 60.00 |
| | US Fund Conservative Allocation | 22.58 | 68.28 | 9.14 |

# Extra Slides

# National ABLE Alliance – Asset Allocation for Risk Based Portfolios

**As of 12/31/24**




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# Portfolio Benchmark Allocation Review

**Allocations since 12/13/24***

**ABLE Consortium Custom Benchmarks**

| | Aggressive Custom Benchmark | Moderately Aggressive Custom Benchmark | Growth Custom Benchmark | Moderate Custom Benchmark | Moderately Conservative Custom Benchmark | Conservative Custom Benchmark | Money Market Benchmark |
|---|---|---|---|---|---|---|---|
| CRSP US Total Market TR USD | 51.00% | 42.00% | 34.00% | 25.00% | 17.00% | 6.00% | |
| Schwab Spliced REIT Index | 8.00% | 7.00% | 5.00% | 4.00% | 3.00% | 1.00% | |
| Vanguard Spliced Developed ex US Index | 22.00% | 18.00% | 15.00% | 11.00% | 7.00% | 2.00% | |
| Vanguard Spliced Emerging Markets Index | 9.00% | 8.00% | 6.00% | 5.00% | 3.00% | 1.00% | |
| Vanguard Spliced BBgBarc US Aggregate Index | 5.00% | 13.75% | 24.00% | 33.00% | 27.00% | 18.00% | |
| Vanguard Spliced BBgBarc US 1-5 Yr Index | 0.50% | 2.50% | 4.00% | 6.88% | 6.75% | 4.50% | |
| Bloomberg US TIPS 0-5 Year TR USD | 0.50% | 2.50% | 4.00% | 6.88% | 6.75% | 4.50% | |
| Bloomberg US HY 2% Issuer Cap TR USD | 3.00% | 3.75% | 4.00% | 2.75% | 0.00% | 0.00% | |
| Bloomberg Gbl Agg xUSD 10% IC TR Hdg USD | 1.00% | 2.50% | 4.00% | 5.50% | 4.50% | 3.00% | |
| Bloomberg US Treasury Bill 1-3 Mon TR | 0.00% | 0.00% | 0.00% | 0.00% | 25.00% | 60.00% | 100.00% |
| | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

* Allocations were different prior to 12/132/24

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Vanguard®

# Vanguard Total Bond Market Index Fund

Bond fund | Institutional Plus Shares

## Fund facts

| Total net assets | Expense ratio as of 04/29/25 | Ticker symbol | Turnover rate | Inception date | Fund number |
|---|---|---|---|---|---|
| $35,705 MM | 0.02% | VBMPX | 37.6% | 02/05/10 | 0850 |

## Investment objective

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

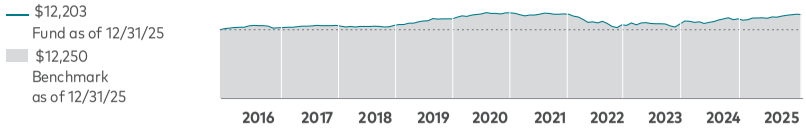
## Investment strategy

The fund employs an indexing investment approach designed to track the performance of the Bloomberg 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.

## Benchmark

Spliced Bloomberg U.S. Aggregate Float Adjusted Index

## Growth of a $10,000 investment: December 31, 2015—December 31, 2025




## Annual returns



| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Fund | 2.62 | 3.58 | -0.01 | 8.74 | 7.74 | -1.65 | -13.14 | 5.72 | 1.26 | 7.17 |
| Benchmark | 2.75 | 3.63 | -0.08 | 8.87 | 7.75 | -1.58 | -13.07 | 5.60 | 1.33 | 7.21 |

## Total returns

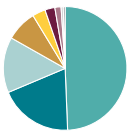
Periods ended March 31, 2026

| | Quarter | Year to date | One year | Three years | Five years | Ten years |
|---|---|---|---|---|---|---|
| Fund | 0.06% | 0.06% | 4.34% | 3.63% | 0.35% | 1.71% |
| Benchmark | -0.07% | -0.07% | 4.26% | 3.63% | 0.34% | 1.73% |

**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. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.**

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

## Distribution by issuer–bonds



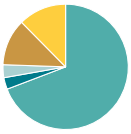
| | | | |
|---|---|---|---|
| Treasury/Agency | 49.4% | Utilities | 2.6 |
| Government Mortgage-Backed | 19.3 | Commercial Mortgage-Backed | 1.6 |
| Industrial | 14.6 | Other | 0.6 |
| Finance | 8.1 | Asset-Backed | 0.5 |
| Foreign | 3.4 | | |

Spliced Bloomberg U.S. Aggregate Float Adjusted Index: Bloomberg U.S. Aggregate Bond Index through December 31, 2009; Bloomberg U.S. Aggregate Float Adjusted Index thereafter.

# Vanguard Total Bond Market Index Fund

Bond fund | Institutional Plus Shares

**Distribution by credit quality†**



| | | | |
|---|---|---|---|
| U.S. Government | 69.2% | BB | 0.0 |
| AAA | 3.0 | B | 0.0 |
| AA | 3.4 | CCC or Lower | 0.0 |
| A | 12.0 | Not rated | 0.0 |
| BBB | 12.4 | | |

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**Plain talk about risk**

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

**Interest rate risk,** which is the chance that bond prices overall 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,** which is the chance that the fund's income will decline because of falling interest rates. Income risk is generally high for short-term bond funds and moderate for intermediate-term bond funds, so investors should expect the fund's monthly income to fluctuate accordingly.

**Prepayment risk,** which is 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. Such prepayments and subsequent reinvestments would also increase the fund's portfolio turnover rate. Prepayment risk should be moderate for the fund.

**Extension risk,** which is the chance that during periods of rising interest rates, certain debt securities will be paid off substantially more slowly than originally anticipated, and the value of those securities may fall. This will lengthen the duration or average life of those securities and delay a fund's ability to reinvest proceeds at higher interest rates, making a fund more sensitive to changes in interest rates. For funds that invest in mortgage-backed securities, there is a chance that during periods of rising interest rates, homeowners will repay their mortgages at slower rates. Extension risk should be moderate for the fund.

**Call risk,** which is 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. Such redemptions and subsequent reinvestments would also increase the fund's portfolio turnover rate. Call risk should be low for the fund because it invests only a small portion of its assets in callable bonds.

**Credit risk,** which is 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,** which is the chance that the securities selected for the fund, in the aggregate, will not provide investment performance matching that of the fund's target index. Index sampling risk for the fund is expected to be low.

**Index-related risks:** The fund is subject to risks associated with index investing, which include passive management risk, tracking error risk, and index provider risk. Passive management risk is the chance that the fund's use of an indexing strategy will negatively impact the fund's performance. Because the fund seeks to track the performance of its target index regardless of how that index is performing, the fund's performance may be lower than it would be if the fund were actively managed. Tracking error risk is the chance that the fund's performance will deviate from the performance of its target index. Tracking error risk may be heightened during times of increased market volatility or under other unusual market conditions. Index provider risk is the chance that the fund will be negatively impacted by changes or errors made by the index provider. Any gains, losses, or costs associated with or resulting from an error made by the index provider will generally be borne by the fund and, as a result, the fund's shareholders.

**Liquidity risk,** which is the chance that the fund may not be able to sell a security in a timely manner at a desired price.

**Note on frequent trading restrictions**

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to vanguard.com for your employer plans or contact Participant Services at 800-523-1188 for additional information.

†Credit-quality ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). "NR" is used to classify securities for which a rating is not available. NR securities may include internal money market funds, derivatives, and futures. 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 either obtained from Bloomberg using ratings derived from Moody's Investors Service (Moody's), Fitch Ratings (Fitch), and Standard & Poor's (S&P), or directly from Moody's and S&P. Credit-quality ratings obtained from Bloomberg use the following methodologies: When ratings from all three agencies are available, the median rating is used; when ratings from only two of the agencies are available, the lower rating is used; and when one rating is available, that rating is used. Credit-quality ratings obtained directly from Moody's and S&P use the higher rating for each issue. Exposures are calculated using investment book of record positions, which is based on when transactions occur, not when they settle, which can lead to the appearance of temporary negative cash balances or gross exposures greater than 100%.

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# Vanguard Short-Term Bond Index Fund

Bond fund | Institutional Plus Shares

## Fund facts

| Total net assets | Expense ratio as of 02/02/26 | Ticker symbol | Turnover rate | Inception date | Fund number |
|---|---|---|---|---|---|
| $7,728 MM | 0.02% | VBIPX | 54.8% | 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.

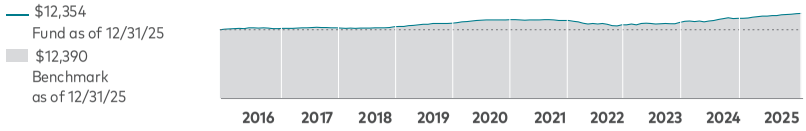
## Investment strategy

The fund employs an indexing investment approach designed to track the performance of the Bloomberg 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.

## Benchmark

Spliced Bloomberg U.S. 1-5 Year Government/Credit Float Adjusted Index

## Growth of a $10,000 investment : December 31, 2015—December 31, 2025




## Annual returns



| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Fund | 1.52 | 1.21 | 1.38 | 4.89 | 4.72 | -1.05 | -5.51 | 4.90 | 3.76 | 6.11 |
| Benchmark | 1.57 | 1.27 | 1.38 | 5.01 | 4.71 | -0.97 | -5.50 | 4.89 | 3.76 | 6.11 |

## Total returns

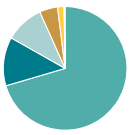
Periods ended March 31, 2026

| | Quarter | Year to date | One year | Three years | Five years | Ten years |
|---|---|---|---|---|---|---|
| Fund | 0.12% | 0.12% | 4.12% | 4.29% | 1.69% | 1.98% |
| Benchmark | 0.14% | 0.14% | 4.15% | 4.33% | 1.71% | 2.02% |

**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. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.**

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

## Distribution by issuer–bonds



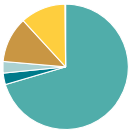
| | | | |
|---|---|---|---|
| Treasury/Agency | 70.4% | Foreign | 4.7 |
| Industrial | 12.7 | Utilities | 1.7 |
| Finance | 10.1 | Other | 0.3 |

Spliced Bloomberg U.S. 1-5 Year Government/Credit Float Adjusted Index: Bloomberg U.S. 1–5 Year Government/Credit Bond Index through December 31, 2009; Bloomberg 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 | 70.4% | BBB | 11.6 |
| AAA | 3.0 | BB | 0.0 |
| AA | 3.0 | Not rated | 0.2 |
| A | 11.8 | | |

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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.

**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. Such redemptions and subsequent reinvestments would also increase the fund's portfolio turnover rate.

**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.

**Index-related risks:** The fund is subject to risks associated with index investing, which include passive management risk, tracking error risk, and index provider risk. Passive management risk is the chance that the fund's use of an indexing strategy will negatively impact the fund's performance. Because the fund seeks to track the performance of its target index regardless of how that index is performing, the fund's performance may be lower than it would be if the fund were actively managed. Tracking error risk is the chance that the fund's performance will deviate from the performance of its target index. Tracking error risk may be heightened during times of increased market volatility or under other unusual market conditions. Index provider risk is the chance that the fund will be negatively impacted by changes or errors made by the index provider. Any gains, losses, or costs associated with or resulting from an error made by the index provider will generally be borne by the fund and, as a result, the fund's shareholders.

**Liquidity risk:** The chance that the fund may not be able to sell a security in a timely manner at a desired price.

†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 internal money market funds, derivatives, and futures. 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 either obtained from Bloomberg using ratings derived from Moody's Investors Service (Moody's), Fitch Ratings (Fitch), and Standard & Poor's (S&P), or directly from Moody's and S&P. Credit-quality ratings obtained from Bloomberg use the following methodologies: When ratings from all three agencies are available, the median rating is used; when ratings from only two of the agencies are available, the lower rating is used; and when one rating is available, that rating is used. Credit-quality ratings obtained directly from Moody's and S&P use the higher rating for each issue. Exposures are calculated using investment book of record positions, which is based on when transactions occur, not when they settle, which can lead to the appearance of temporary negative cash balances or gross exposures greater than 100%.

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# Vanguard Short-Term Inflation-Protected Securities Index Fund

Bond fund | Institutional Shares

## Fund facts

| Total net assets | Expense ratio as of 02/02/26 | Ticker symbol | Turnover rate | Inception date | Fund number |
|---|---|---|---|---|---|
| $24,498 MM | 0.02% | VTSPX | 25.0% | 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.

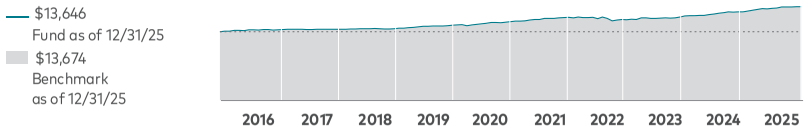
## Investment strategy

The fund employs an indexing investment approach designed to track the performance of the Bloomberg 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.

## Benchmark

Bloomberg U.S. 0-5 Year Treasury Inflation Protected Securities Index

## Growth of a $10,000 investment: December 31, 2015—December 31, 2025




## Annual returns



| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Fund | 2.76 | 0.83 | 0.59 | 4.82 | 4.99 | 5.32 | -2.80 | 4.61 | 4.75 | 6.06 |
| Benchmark | 2.81 | 0.88 | 0.59 | 4.85 | 5.07 | 5.34 | -2.74 | 4.57 | 4.69 | 6.07 |

## Total returns

Periods ended March 31, 2026

| | Quarter | Year to date | One year | Three years | Five years | Ten years |
|---|---|---|---|---|---|---|
| Fund | 0.97% | 0.97% | 3.92% | 4.69% | 3.51% | 3.07% |
| Benchmark | 0.93% | 0.93% | 3.90% | 4.68% | 3.51% | 3.09% |

**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. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.**

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

## Distribution by issuer–bonds



| | |
|---|---|
| Treasury/Agency | 100.0% |

Bloomberg U.S. 0-5 Year Treasury Inflation Protected Securities 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% |
| Not rated | 0.0 |

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**Plain talk about risk**

As with any investment, an investment in the fund could lose money over any time period. The fund's share price and total return may fluctuate, potentially within a wide range. The principal risks of investing in the fund are summarized below. Each of the following risks could affect the fund's performance:

**General Market Risk.** The markets in which the fund invests can be affected by a variety of factors. These factors, which can be real or perceived, may include economic, market, political, and regulatory conditions and developments as well as local, regional, or global events such as wars, military conflicts, natural disasters, and public health issues. In addition, investor sentiment and expectations regarding these factors can also impact the markets. Different parts of the market, including different industries and sectors as well as different types of securities, may react differently to factors that affect the market. These factors can contribute to market uncertainty, market volatility, and fluctuations in the value of the fund's investments, thereby resulting in potential losses to the fund over short or long periods.

**Investing in Bond Markets.** The fund may be impacted by the general condition of the bond markets and by factors that affect bonds and bond issuers. For example, as a general rule, bond prices and interest rates move in opposite directions. When interest rates rise, bond prices tend to fall, and when interest rates fall, bond prices tend to go up. Bond income also is affected by changes in interest rates. Interest rates can rise or fall for a number of reasons, including, but not limited to, central bank monetary policy, inflationary or deflationary pressures, and changes in general market and economic conditions. Changing interest rates, including, but not limited to, rates that fall below zero, could have unpredictable effects on the overall market and may expose the bond markets in particular to heightened volatility and potential illiquidity. The degree to which the fund is impacted by certain bond market risks may vary based on factors disclosed in its principal investment strategies, such as the types of bonds in which it invests and the overall credit quality, average maturity, and/or average duration of its bond holdings.

**Interest Rate Risk.** During periods of rising interest rates, bond prices overall may decline, which could result in a decline in the fund's value. The prices of longer-term bonds are more sensitive to changes in interest rates than the prices of shorter-term bonds.

**Income Risk.** During periods of falling interest rates, the fund's income may decline. The income paid by shorter-term bonds is subject to a higher degree of fluctuation than the income paid by longer-term bonds.

**Credit Risk.** Credit risk refers to the chance that an issuer will default (fail to meet its credit obligations) or fail to make payments in a timely manner, which could result in a loss to the fund. In addition, negative perceptions of an issuer's ability to make payments can cause the price of a security to decline. While all debt securities are subject to credit risk to some extent, those with higher credit quality ratings generally pose less credit risk than those with lower credit quality ratings.

**Bond Liquidity Risk.** If the fund is unable to sell a security at an advantageous time or price, its returns may be reduced. There may be limited trading in the secondary market for certain debt securities, which could make them more difficult to value or sell.

**Inflation-Indexed Securities.** Because they are adjusted for inflation, TIPS and other inflation-indexed securities typically have lower yields than conventional bonds. As a result of its investment in such securities, the fund's income distributions are likely to fluctuate considerably more than the income distributions of a conventional bond fund. In fact, under certain conditions, the fund may not have income to distribute at all. Although the prices of inflation-indexed securities are not meaningfully affected by changes in "nominal" (stated) interest rates, their prices may decline when "real" (adjusted for inflation) interest rates rise, and vice versa. The prices of inflation-indexed securities also are subject to decline if prices throughout the U.S. economy decline over time (a period of deflation), which could result in a loss to the fund and/or cause the fund's performance to lag that of conventional bond funds.

**Index Investing.** The fund is subject to risks associated with index investing. Because the fund generally seeks to track the performance of the target index regardless of how the target index is performing, the fund's performance may be lower than it would be if it were actively managed. Although the fund seeks to hold substantially all of the securities included in the target index, it may be unable to do so. In addition, the fund could be prevented from holding one or more securities in the same proportion as in the target index. The performance of the fund's investments, in the aggregate, may not match the investment performance of the target index. This risk, known as tracking error risk, may be heightened during times of increased market volatility or under other unusual market conditions. The fund also could be negatively impacted by changes to the target index made by the index provider or by errors made by the index provider. Any gains, losses, or costs associated with or resulting from an error made by the index provider will generally be borne by the fund and, as a result, the fund's shareholders.

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# Vanguard Total Stock Market Index Fund

Domestic stock fund | Institutional Plus Shares

## Fund facts

| Total net assets | Expense ratio as of 04/29/25 | Ticker symbol | Turnover rate | Inception date | Fund number |
|---|---|---|---|---|---|
| $839,569 MM | 0.02% | VSMPX | 2.6% | 04/28/15 | 1871 |

## Investment objective

Vanguard Total Stock Market Index Fund seeks to track the performance of a benchmark index that measures the investment return of the overall stock market.

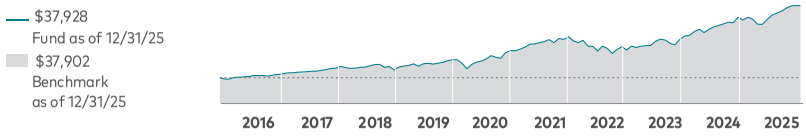
## Investment strategy

The fund employs an indexing investment approach designed to track the performance of the CRSP US Total Market Index, which represents approximately 100% of the investable U.S. stock market and includes large-, mid-, small-, and micro-cap stocks regularly traded on the New York Stock Exchange and Nasdaq. The fund invests by sampling the index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the full 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.

## Benchmark

CRSP U.S. Total Market Index

## Growth of a $10,000 investment : December 31, 2015—December 31, 2025




## Annual returns



| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Fund | 12.69 | 21.19 | -5.15 | 30.82 | 21.02 | 25.74 | -19.51 | 26.03 | 23.76 | 17.15 |
| Benchmark | 12.68 | 21.19 | -5.17 | 30.84 | 20.99 | 25.72 | -19.49 | 25.98 | 23.77 | 17.15 |

## Total returns

Periods ended March 31, 2026

| | Quarter | Year to date | One year | Three years | Five years | Ten years |
|---|---|---|---|---|---|---|
| Fund | -3.96% | -3.96% | 18.20% | 17.87% | 10.78% | 13.69% |
| Benchmark | -3.96% | -3.96% | 18.21% | 17.86% | 10.78% | 13.68% |

**The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.**

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

CRSP U.S. Total Market Index: Consists of large-, mid-, small-, and micro-cap stocks representing nearly 100% of the investable U.S. stock market

# Vanguard Total Stock Market Index Fund

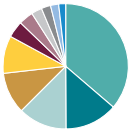
Domestic stock fund | Institutional Plus Shares

## Ten largest holdings*

| | | |
|---|---|---|
| 1 | NVIDIA Corp. | |
| 2 | Apple Inc. | |
| 3 | Alphabet Inc. | |
| 4 | Microsoft Corp. | |
| 5 | Amazon.com Inc. | |
| 6 | Broadcom Inc. | |
| 7 | Meta Platforms Inc. | |
| 8 | Tesla Inc. | |
| 9 | Berkshire Hathaway Inc. | |
| 10 | Eli Lilly & Co. | |
| Top 10 as % of total net assets | | 33.4% |

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

## Sector Diversification



| | | | | | |
|---|---|---|---|---|---|
| Technology | 36.3% | | Consumer Staples | 3.7 |
| Consumer Discretionary | 13.6 | | Utilities | 2.8 |
| Industrials | 12.6 | | Real Estate | 2.4 |
| Financials | 10.7 | | Telecommunications | 2.1 |
| Health Care | 9.7 | | Basic Materials | 1.8 |
| Energy | 4.3 | | Other | 0.0 |

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.

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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 target index may, at times, become focused in stocks of a particular sector, category, or group of companies.

**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.

**Sector risk:** The chance that significant problems will affect a particular sector, or that returns from that sector will trail returns from the overall stock market. Daily fluctuations in specific market sectors are often more extreme or volatile than fluctuations in the overall market. Because a significant portion of the fund's assets are in the technology sector, the fund's performance is impacted by the general condition of that sector. Companies in the technology sector could be affected by, among other things, overall economic conditions, short product cycles, rapid obsolescence of products, competition, and government regulation.

**Nondiversification risk:** Because the fund seeks to closely track the composition of the fund's target index, from time to time, more than 25% of the fund's total assets may be invested in issuers representing more than 5% of the fund's total assets due to an index rebalance or market movement, which would result in the fund being nondiversified under the Investment Company Act of 1940. The fund's performance may be hurt disproportionately by the poor performance of relatively few stocks, or even a single stock, and the fund's shares may experience significant fluctuations in value.

**Index-related risks:** The fund is subject to risks associated with index investing, which include passive management risk, tracking error risk, and index provider risk. Passive management risk is the chance that the fund's use of an indexing strategy will negatively impact the fund's performance. Because the fund seeks to track the performance of its target index regardless of how that index is performing, the fund's performance may be lower than it would be if the fund were actively managed. Tracking error risk is the chance that the fund's performance will deviate from the performance of its target index. Tracking error risk may be heightened during times of increased market volatility or under other unusual market conditions. Index provider risk is the chance that the fund will be negatively impacted by changes or errors made by the index provider. Any gains, losses, or costs associated with or resulting from an error made by the index provider will generally be borne by the fund and, as a result, the fund's shareholders.

## Note on frequent trading restrictions

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to vanguard.com for your employer plans or contact Participant Services at 800-523-1188 for additional information.

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# Vanguard Developed Markets Index Fund

International stock fund | Institutional Shares

## Fund facts

| Total net assets | Expense ratio as of 04/29/25 | Ticker symbol | Turnover rate | Inception date | Fund number |
|---|---|---|---|---|---|
| $16,639 MM | 0.03% | VTMNX | 4.1% | 01/04/01 | 0137 |

## Investment objective

Vanguard Developed Markets Index Fund seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in Canada and the major markets of Europe and the Pacific region.

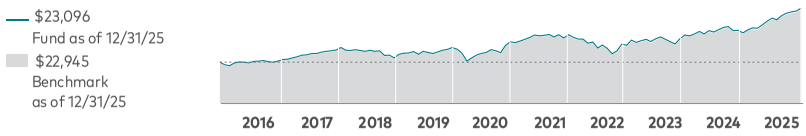
## Investment strategy

The fund employs an indexing investment approach designed to track the performance of the FTSE Developed All Cap ex US Index, a market-capitalization-weighted index that is made up of approximately 3,700 common stocks of large-, mid-, and small-cap companies located in Canada and the major markets of Europe and the Pacific region. 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, holding each stock in approximately the same proportion as its weighting in the index.

## Benchmark

Spliced Developed ex US Index

## Growth of a $10,000 investment: December 31, 2015—December 31, 2025




## Annual returns



| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Fund | 2.46 | 26.46 | -14.49 | 22.14 | 10.27 | 11.44 | -15.34 | 17.84 | 3.00 | 35.16 |
| Benchmark | 2.29 | 26.31 | -14.79 | 22.34 | 10.00 | 11.58 | -15.58 | 17.96 | 3.36 | 34.86 |

## Total returns

Periods ended March 31, 2026

| | Quarter | Year to date | One year | Three years | Five years | Ten years |
|---|---|---|---|---|---|---|
| Fund | 2.52% | 2.52% | 29.66% | 15.98% | 8.81% | 9.22% |
| Benchmark | 0.21% | 0.21% | 27.70% | 15.26% | 8.32% | 8.93% |

**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. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.**

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

## Market allocation–stocks



| | | | |
|---|---|---|---|
| Japan | 20.9% | Korea | 6.7 |
| United Kingdom | 12.0 | Germany | 6.7 |
| Canada | 11.3 | Australia | 6.0 |
| France | 7.4 | Netherlands | 3.7 |
| Switzerland | 7.2 | Spain | 2.9 |

Spliced Developed ex US Index: MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index through December 20, 2015; FTSE Developed All Cap ex US Transition Index through May 31, 2016; FTSE Developed All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.

Effective April 4, 2014, Vanguard Developed Markets Index Fund merged into Vanguard Tax-Managed International Fund, and the combined fund was renamed Vanguard Developed Markets Index Fund. Performance prior to April 4, 2014, is that of the former Vanguard Tax-Managed International Fund. The fund retains the same historical performance, portfolio manager, and risks as it did prior to its reorganization.

# Vanguard Developed Markets Index Fund

International stock fund | Institutional Shares

## Ten largest holdings*

| | | |
|---|---|---|
| 1 | Samsung Electronics Co. Ltd. | |
| 2 | ASML Holding NV | |
| 3 | SK hynix Inc. | |
| 4 | Novartis AG | |
| 5 | AstraZeneca plc | |
| 6 | Roche Holding AG | |
| 7 | HSBC Holdings plc | |
| 8 | Shell plc | |
| 9 | Nestle SA | |
| 10 | Royal Bank of Canada | |
| Top 10 as % of total net assets | | 11.5% |

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

## Sector Diversification



| | | | |
|---|---|---|---|
| Financials | 23.2% | Energy | 6.2 |
| Industrials | 18.2 | Consumer Staples | 5.7 |
| Consumer Discretionary | 9.7 | Telecommunications | 4.8 |
| Technology | 9.2 | Utilities | 3.8 |
| Health Care | 8.8 | Real Estate | 2.6 |
| Basic Materials | 7.6 | Other | 0.0 |

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.

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**Plain talk about risk**

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

**Stock market risk**, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The fund's investments in foreign stocks can be riskier than U.S. stock investments. Foreign stocks may be more volatile and less liquid than U.S. stocks. The prices of foreign stocks and the prices of U.S. stocks may move in opposite directions. 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**, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of securities issued by companies in foreign countries or regions. Because the fund may invest a large portion of its assets in securities of companies located in any one country or region, the fund's performance may be hurt disproportionately by the poor performance of its investments in that area. Significant investments in Japan and the United Kingdom (U.K.) subject the Index and the fund to proportionately higher exposure to Japanese and U.K. country risk.

**Investment style risk**, which is the chance that returns from non-U.S. small and mid-capitalization stocks will trail returns from global stock markets. Historically, non-U.S. small- and mid-cap stocks have been more volatile in price than the large-cap stocks that dominate the global markets, and they often perform quite differently. The stock prices of small and mid-size companies tend to experience greater volatility because, among other things, these companies tend to be more sensitive to changing economic conditions.

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

**Index-related risks:** The fund is subject to risks associated with index investing, which include passive management risk, tracking error risk, and index provider risk. Passive management risk is the chance that the fund's use of an indexing strategy will negatively impact the fund's performance. Because the fund seeks to track the performance of its target index regardless of how that index is performing, the fund's performance may be lower than it would be if the fund were actively managed. Tracking error risk is the chance that the fund's performance will deviate from the performance of its target index. Tracking error risk may be heightened during times of increased market volatility or under other unusual market conditions. Index provider risk is the chance that the fund will be negatively impacted by changes or errors made by the index provider. Any gains, losses, or costs associated with or resulting from an error made by the index provider will generally be borne by the fund and, as a result, the fund's shareholders.

**Index replicating risk,** which is the chance that the fund may be prevented from holding one or more securities in the same proportion as in its target index.

**Note on frequent trading restrictions**

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# Vanguard Cash Reserves Federal Money Market Fund

Money market fund | Admiral™ Shares

## Fund facts

| Total net assets | Expense ratio as of 12/19/25 | Ticker symbol | Inception date | Fund number |
|---|---|---|---|---|
| $120,543 MM | 0.10% | VMRXX | 10/03/89 | 0066 |

## Investment objective

Vanguard Cash Reserves Federal Money Market Fund seeks to provide current income while maintaining liquidity and a stable share price of $1.

## Investment strategy

The fund invests primarily in high-quality, short-term money market instruments. Under normal circumstances, at least 80% of the fund's assets are invested in securities issued by the U.S. government and its agencies and instrumentalities, including repurchase agreements that are collateralized solely by U.S. government securities or cash. Although these securities are high-quality, some of the securities held by the fund are neither guaranteed by the U.S. Treasury nor supported by the full faith and credit of the U.S government. To be considered high quality, a security must be determined by Vanguard to present minimal credit risk based in part on a consideration of maturity, portfolio diversification, portfolio liquidity, and credit quality. The fund invests more than 25% of its assets in securities issued by companies in the financial services industry, which includes, without limitation, securities issued by certain government-sponsored enterprises. The fund maintains a dollar-weighted average maturity of 60 days or less and a dollar-weighted average life of 120 days or less.

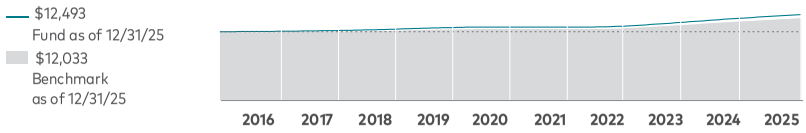
Government money market funds are required to invest at least 99.5% of their total assets in cash, U.S. government securities, and/or repurchase agreements that are collateralized solely by U.S. government securities or cash (collectively, government securities). The fund generally invests 100% of its assets in U.S. government securities and therefore will satisfy the 99.5% requirement for designation as a government money market fund.

**Note**: Effective September 29, 2020, the fund changed its name from Vanguard Prime Money Market Fund to Vanguard Cash Reserves Federal Money Market Fund, and revised its strategy to focus almost exclusively on investments in cash, U.S. government securities, and/or repurchase agreements that are collateralized solely by cash or U.S. government securities. The fund is now designated as a government money market fund. Information for the periods prior to September 29, 2020 is based on the investment strategy utilized by the fund prior to September 29, 2020, under the name Vanguard Prime Money Market Fund.

## Benchmark

Spliced U.S. Government Money Market Funds Average

## Growth of a $10,000 investment: December 31, 2015—December 31, 2025




## Annual returns



| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Fund | 0.55 | 1.08 | 2.01 | 2.29 | 0.57 | 0.02 | 1.56 | 5.10 | 5.24 | 4.23 |
| Benchmark | 0.12 | 0.60 | 1.52 | 1.86 | 0.36 | 0.02 | 1.25 | 4.60 | 4.73 | 3.77 |

## Total returns

Periods ended March 31, 2026

| | 7-Day SEC Yield | Quarter | Year to date | One year | Three years | Five years | Ten years |
|---|---|---|---|---|---|---|---|
| Fund | 3.60% | 0.90% | 0.90% | 4.06% | 4.79% | 3.39% | 2.33% |
| Benchmark | — | 0.78% | 0.78% | 3.59% | 4.30% | 3.02% | 1.95% |

**The performance data shown represent past performance, which is not a guarantee of future results. Investment returns will fluctuate. 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. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.**

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Seven-day current yield net of expenses. The yield quotation more closely reflects the current earnings of the fund than the total return quotation.

A non-money-market fund's SEC yield is based on a formula mandated by the Securities and Exchange Commission (SEC) that calculates a fund's hypothetical annualized income as a percentage of its assets. A security's income, for the purpose of this calculation, is based on the current market yield to maturity (in the case of bonds) or projected dividend yield (for stocks) of the fund's holdings over a trailing 30-day period. This hypothetical income will differ (at times, significantly) from the fund's actual experience; as a result, income distributions from the fund may be higher or lower than implied by the SEC yield.

The SEC yield for a money market fund is calculated by annualizing its daily income distributions for the previous seven days.

Spliced U.S. Government Money Market Funds Average: Money Market Funds Average through November 30, 2020; U.S. Government Money Market Funds Average thereafter. Derived from data provided by Lipper, a Thomson Reuters Company.

**Important Note:** This fund may earn income from investments in repurchase agreements and certain other securities that are generally subject to state and local taxes.

# Vanguard Cash Reserves Federal Money Market Fund

Money market fund | Admiral™ Shares

**Distribution by issuer–bonds**



| | | | |
|---|---|---|---|
| U.S. Govt. Obligations | 41.9% | Certificates of Deposit | 0.0 |
| U.S. Treasury Bills | 38.3 | U.S. Commercial Paper | 0.0 |
| Repurchase Agreements | 19.8 | Other | 0.0 |
| Bankers Acceptances | 0.0 | | |

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**Plain talk about risk**

As with any investment, an investment in the fund could lose money over any time period. The principal risks of investing in the fund are summarized below. Each of the following risks could affect the fund's performance:

**General Market Risk.** The markets in which the fund invests can be affected by a variety of factors. These factors, which can be real or perceived, may include economic, market, political, and regulatory conditions and developments as well as local, regional, or global events such as wars, military conflicts, natural disasters, and public health issues. In addition, investor sentiment and expectations regarding these factors can also impact the markets. Different parts of the market, including different industries and sectors as well as different types of securities, may react differently to factors that affect the market. These factors can contribute to market uncertainty, market volatility, and fluctuations in the value of the fund's investments, thereby resulting in potential losses to the fund over short or long periods.

**Investing in Bond Markets.** The fund invests in money market instruments, which are high quality, short-term debt securities. As a result, the fund may be impacted by the general condition of the bond markets and by factors that affect bonds and bond issuers. For example, as a general rule, bond prices and interest rates move in opposite directions. When interest rates rise, bond prices tend to fall, and when interest rates fall, bond prices tend to go up. Bond income also is affected by changes in interest rates. Interest rates can rise or fall for a number of reasons, including, but not limited to, central bank monetary policy, inflationary or deflationary pressures, and changes in general market and economic conditions. Changing interest rates, including, but not limited to, rates that fall below zero, could have unpredictable effects on the overall market and may expose the bond markets in particular to heightened volatility and potential illiquidity. The degree to which the fund is impacted by certain bond market risks may vary based on factors disclosed in its principal investment strategies, such as the types of bonds in which it invests and the overall credit quality, average maturity, and/or average duration of its bond holdings.

**Stable NAV.** There can be no assurance that the fund will be successful in maintaining a stable NAV. A wide variety of factors, such as significant market volatility, very low or negative interest rates, periods of high redemption activity, or other factors could affect the fund's ability to maintain a stable NAV.

**Money Market funds and Interest Rates.** In general, the prices of money market instruments are less sensitive to changes in interest rates than the prices of longer-term debt securities. However, money market fund income is based on short-term interest rates, which means the fund's income may fluctuate significantly over short periods and may decline during periods of falling interest rates. In addition, interest rate changes could have unpredictable impacts on the overall market, which could negatively impact the fund. For example, the fund may be subject to loss if interest rates increase substantially and/or rapidly. Depending on the duration and severity, a period of low or negative interest rates could prevent the fund from, among other things, providing a positive yield to its shareholders, paying expenses out of current income, and/or achieving its investment objective, including maintaining a stable NAV of $1.

**Credit Risk.** Credit risk refers to the chance that an issuer will default (fail to meet its credit obligations) or fail to make payments in a timely manner, which could result in a loss to the fund. In addition, negative perceptions of an issuer's ability to make payments can cause the price of a security to decline. While all debt securities are subject to credit risk to some extent, those with higher credit quality ratings generally pose less credit risk than those with lower credit quality ratings.

**Bond Liquidity Risk.** If the fund is unable to sell a security at an advantageous time or price, its returns may be reduced. There may be limited trading in the secondary market for certain debt securities, which could make them more difficult to value or sell.

**Repurchase Agreements.** The fund invests in repurchase agreements, which are agreements under which the fund acquires a security from a seller while simultaneously agreeing to resell the security to the seller at an agreed-upon price on a specific date. If the seller does not fulfill its obligation, the fund could lose money, suffer delays, or incur costs arising from holding or selling the security.

**Variable and Floating Rate Securities.** The fund may invest in securities that pay variable or floating rates of interest. At any given time, the current interest rate of a variable or floating rate security may not accurately reflect current market interest rates, or may yield less than is appropriate to compensate the investor for the issuer's current credit quality. As a result, the value of the fund's investments in such securities is subject to decline. In addition, an active market for variable and floating rate securities may not always exist at the time the fund wishes to dispose of them.

**Active Management.** The fund is actively managed. The advisor's security selection and/or strategy execution could cause the fund to underperform relevant securities markets or other funds with a similar investment objective.

**Industry Concentration.** The fund concentrates its investments in securities of issuers in the financial services industry. As a result, the fund's performance depends to a greater extent on the overall condition of, and is more susceptible to events affecting, this industry.

**You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in the fund is not a bank account and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor is not required to reimburse the fund for losses, and you should not expect that the sponsor will provide financial support to the fund at any time, including during periods of market stress.**

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# Vanguard Emerging Markets Stock Index Fund

International stock fund | Institutional Shares

## Fund facts

| Total net assets | Expense ratio as of 02/27/26 | Ticker symbol | Turnover rate | Inception date | Fund number |
|---|---|---|---|---|---|
| $8,966 MM | 0.06% | VEMIX | 5.9% | 06/22/00 | 0239 |

## 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.

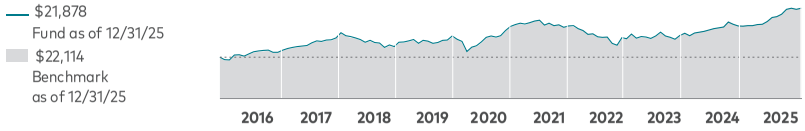
## Investment strategy

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.

## Benchmark

Spliced Emerging Markets Index

## Growth of a $10,000 investment: December 31, 2015—December 31, 2025




## Annual returns



| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Fund | 11.76 | 31.43 | -14.54 | 20.37 | 15.26 | 0.92 | -17.74 | 9.23 | 11.00 | 24.79 |
| Benchmark | 11.77 | 31.06 | -14.77 | 20.41 | 15.51 | 1.48 | -17.58 | 9.55 | 11.63 | 24.50 |

## Total returns

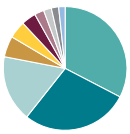
Periods ended March 31, 2026

| | Quarter | Year to date | One year | Three years | Five years | Ten years |
|---|---|---|---|---|---|---|
| Fund | -0.21% | -0.21% | 21.97% | 13.38% | 3.89% | 7.56% |
| Benchmark | -2.73% | -2.73% | 19.66% | 12.84% | 3.73% | 7.39% |

**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. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.**

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

## Market allocation–stocks



| | | | |
|---|---|---|---|
| China | 30.5% | Saudi Arabia | 3.6 |
| Taiwan | 26.2 | Mexico | 2.3 |
| India | 16.3 | Malaysia | 1.9 |
| Brazil | 5.1 | Thailand | 1.8 |
| South Africa | 4.2 | United Arab Emirates | 1.6 |

Spliced Emerging Markets Index: Select Emerging Markets Index through August 23, 2006; MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; FTSE Emerging Index through November 1, 2015; FTSE Emerging Markets All Cap China A Transition Index through September 18, 2016; and FTSE Emerging Markets All Cap China A Inclusion Index thereafter. Benchmark returns are adjusted for withholding taxes.

# Vanguard Emerging Markets Stock Index Fund

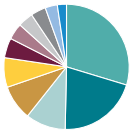
International stock fund | Institutional Shares

## Ten largest holdings*

| | | |
|---|---|---|
| 1 | Taiwan Semiconductor Manufacturing Co. Ltd. | |
| 2 | Tencent Holdings Ltd. | |
| 3 | Alibaba Group Holding Ltd. | |
| 4 | Reliance Industries Ltd. | |
| 5 | China Construction Bank Corp. | |
| 6 | HDFC Bank Ltd. | |
| 7 | Delta Electronics Inc. | |
| 8 | Petroleo Brasileiro SA - Petrobras | |
| 9 | PDD Holdings Inc. | |
| 10 | Industrial & Commercial Bank of China Ltd. | |
| Top 10 as % of total net assets | | 25.4% |

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

## Sector Diversification



| | | | | | |
|---|---|---|---|---|---|
| Technology | 29.7% | | Telecommunications | 4.2 |
| Financials | 20.7 | | Consumer Staples | 3.9 |
| Consumer Discretionary | 10.3 | | Health Care | 3.9 |
| Industrials | 9.0 | | Utilities | 3.1 |
| Basic Materials | 7.7 | | Real Estate | 2.4 |
| Energy | 5.1 | | Other | 0.0 |

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.

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## Plain talk about risk

As with any investment, an investment in the fund could lose money over any time period. The fund's share price and total return may fluctuate, potentially within a wide range. The principal risks of investing in the fund are summarized below. Each of the following risks could affect the fund's performance:

**General Market Risk.** The markets in which the fund invests can be affected by a variety of factors. These factors, which can be real or perceived, may include economic, market, political, and regulatory conditions and developments as well as local, regional, or global events such as wars, military conflicts, natural disasters, and public health issues. In addition, investor sentiment and expectations regarding these factors can also impact the markets. Different parts of the market, including different industries and sectors as well as different types of securities, may react differently to factors that affect the market. These factors can contribute to market uncertainty, market volatility, and fluctuations in the value of the fund's investments, thereby resulting in potential losses to the fund over short or long periods.

**Investing in Foreign Markets.** Foreign markets can perform differently than U.S. markets. World events could adversely affect the value and/or liquidity of securities of foreign companies or foreign issuers, potentially in ways that differ from impacts to U.S. companies or issuers. Further, global economies and financial markets are becoming increasingly interconnected, which increases the possibility that conditions in one country or region could adversely impact a different country or region. In addition, the rights and remedies associated with investments in a fund that invests in foreign securities may be different than a fund that invests in domestic securities. To the extent that the fund invests a large portion of its assets in securities of issuers located primarily in one country or region, the fund's performance may be hurt disproportionately by the poor performance of its investments in such country or region.

**Investing in Emerging Markets.** Investments in emerging markets are subject to higher degrees of risk and volatility than investments in developed markets. Compared with developed markets, emerging markets can have greater custodial and operational risks; less developed legal, tax, regulatory, financial reporting, accounting, and recordkeeping systems; and greater political, social, and economic instability than developed markets. In addition, emerging markets generally have less efficient trading markets with lower overall liquidity and more volatile currency exchange rates. Each of these risks can cause losses to the fund's investments and/or impact the fund's performance.

**Currency Risk.** The fund is subject to the risk that foreign currency will perform differently than U.S. dollars and increase the potential loss to the fund. Currency exchange rates may be volatile, move rapidly, and change as a result of changes in interest rates, inflation rates, government surpluses or deficits, and monetary policy or currency controls imposed by local governments or supranational entities such as the International Monetary fund. Changes in currency exchange rates can affect the value of the fund's holdings.

**Investments Economically Tied to China.** The risks described under Investing in **Foreign Markets**, **Investing in Emerging Markets**, and **Currency Risk** apply to, and may be heightened with respect to, the fund's investments in companies or issuers economically tied to China. The fund also is subject to unique risks due to the considerable degrees of social and humanitarian, legal, regulatory, political, and economic uncertainty associated with investments in companies or issuers economically tied to China. All of these factors, among others, could have negative impacts on the fund. For example, the fund may not be able to access its desired amount of shares of companies incorporated in China that trade on the Shanghai and Shenzhen Stock Exchanges (A-shares) and/or the Hong Kong Stock Exchange (H-shares), which may cause the fund to miss out on investment opportunities. Investments economically tied to China may be (or become in the future) restricted or sanctioned by the U.S. government, which could cause these securities to decline in value or become less liquid. If the fund's holdings become impacted by restrictions or sanctions, the fund may incur losses. Additionally, the fund may gain exposure to certain companies in China through legal structures known as variable interest entities (VIEs), which provide exposure to Chinese companies through contractual arrangements instead of equity ownership. Investing through a VIE does not offer the same level of investor protection as direct ownership and is subject to risks including breach of the contractual arrangements, difficulty in enforcing the contractual arrangements outside of the United States, and intervention by the U.S. government. These risks could significantly affect a VIE's market value, which in turn could impact the fund's performance.

**Investing in Equity Markets.** The fund invests in the equity markets. Equity markets have historically been cyclical, having periods of time when stock values rise and fall. Market volatility can lead to significant fluctuations in stock values, resulting in potential losses to the fund.

**Market Capitalization (Market Cap).** Companies are generally classified into three types of market cap depending on their size: small-, mid-, and large-cap. Companies can be further classified into micro- or mega-cap. Different factors can affect each market cap uniquely, and historically small-and mid-cap stocks have typically been more volatile due to the effects of changing economic conditions. Large companies may not reach the same levels of growth or performance as smaller companies, and they may be slower to react to competitive challenges. The performance of funds that invest in a subset of market caps could diverge from the performance of a fund that is focused on a broader representation of the stock market.

**Index Investing.** The fund is subject to risks associated with index investing. Because the fund generally seeks to track the performance of the target index regardless of how the target index is performing, the fund's performance may be lower than it would be if it were actively managed. Additionally, because the fund does not hold all of the securities included

# Vanguard Emerging Markets Stock Index Fund

International stock fund | Institutional Shares

in the target index, it is subject to the risk that the representative sample of securities selected by the advisor will, in the aggregate, vary from the investment profile of the full target index. The performance of the fund's investments, in the aggregate, may not match the investment performance of the target index. This risk, known as tracking error risk, may be heightened during times of increased market volatility or under other unusual market conditions. The fund also could be negatively impacted by changes to the target index made by the index provider or by errors made by the index provider. Any gains, losses, or costs associated with or resulting from an error made by the index provider will generally be borne by the fund and, as a result, the fund's shareholders.

**Nondiversification.** By tracking its broad-based target index, the fund could become nondiversified, as defined under the Investment Company Act of 1940, due to events such as an index rebalance or market movement. The performance of nondiversified funds may be negatively impacted by relatively few securities or even a single security and their shares may experience significant fluctuations in value.

**Concentration Risk.** Except as may be necessary to approximate the composition of its target index, the fund will not concentrate its investments in the securities of issuers whose principal business activities are in the same industry or group of industries. If the target index becomes concentrated and the fund needs to concentrate in the same industry or group of industries, its performance could be negatively impacted by the industry or industries in which it is concentrated.

**Note on frequent trading restrictions**

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to vanguard.com for your employer plans or contact Participant Services at 800-523-1188 for additional information.

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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 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.**

# Vanguard Emerging Markets Stock Index Fund

International stock fund | Institutional Shares

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

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charles SCHWAB Asset Management

All Information as of **March 31, 2026**
unless otherwise indicated

**SCHH**

# 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 can serve as part of the core or complement in a diversified portfolio
- Simple access to REITs, excluding non-REIT stocks that may be included in other real estate indices
- Index excludes mortgage REITs and hybrid REITs

## Fund details

| | |
|---|---|
| **Total net assets** | $9,150,118,171 |
| **Inception date** | 01/13/11 |
| **Total Expense Ratio**[1] | 0.07% |
| **Ticker symbol** | SCHH |
| **Number of securities** | 119 |
| **Distribution frequency** | Quarterly |
| **CUSIP** | 808524847 |
| **Index Bloomberg ticker** | DJERCUT |
| **Index name** | Dow Jones Equity All REIT Capped Index |
| **Portfolio turnover rate (1-year trailing)** | 8.38% |
| **Exchange** | NYSE Arca |

## Morningstar Rating™ and Style Box[2]

**Fund Category:**
Real Estate

**Rating**

| | |
|---|---|
| Overall | ★★★ |
| Three-Year | ★★★ |
| Five-Year | ★★★ |
| Ten-Year | ★★ |




Source: Morningstar, Inc. As of 03/31/26, the Morningstar Rating for the total number of Real Estate funds for the three-, five- and ten-year periods were 95/197, 93/190, and 137/149 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 category[2]

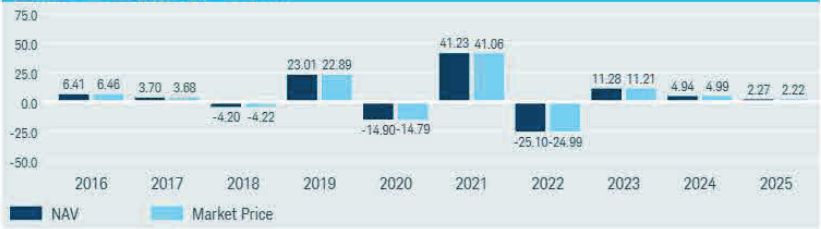



Rank within category is independently calculated and compares this Fund's total annual return to that of other funds in the same category and its figures are not adjusted for any fees and expenses, loads, sales charges, or taxes. As of 03/31/26, the quartile ranking of Real Estate funds for the one-, three-, five- and ten-year periods were 99/207, 95/197, 93/190, and 137/149, respectively.

## Performance (%) as of 3/31/26

| | Cumulative | | Annualized | | | | |
|---|---|---|---|---|---|---|---|
| | 3 Months | Year to Date | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception |
| **Fund (NAV Returns)** | 3.48 | 3.48 | 3.08 | 6.67 | 3.83 | 3.25 | 6.42 |
| **Fund (Market Price Returns)** | 3.43 | 3.43 | 3.03 | 6.65 | 3.82 | 3.26 | 6.42 |
| Dow Jones Equity All REIT Capped Index[3,4] | 3.53 | 3.53 | 3.15 | 6.76 | 3.91 | – | – |
| REIT Spliced Index[5] | 3.53 | 3.53 | 3.15 | 6.76 | 3.91 | 3.32 | 6.51 |
| Category Average[3] | 2.31 | 2.31 | 2.75 | 6.76 | 3.58 | 4.74 | – |

## Annual total returns (%) as of 12/31




**Performance data quoted represents past performance and is no guarantee of future results. Returns are based on total return, which assumes reinvestment of dividends and distributions. 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 not individually redeemable directly with the ETF. 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.schwabassetmanagement.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.

The first index listed for the fund is the fund's primary benchmark, as shown in the prospectus. Additional indices shown are provided for comparative purposes.

## Yields as of 3/31/26

| | |
|---|---|
| **30-day SEC yield** | 3.54% |
| **Distribution yield** | 3.03% |

**30-day SEC yield** was created by the SEC to help investors more easily evaluate the yields of comparable funds. It approximates the current income generated by the securities in a fund's portfolio over a 30-day period after the deduction of expenses, and is shown as an annualized percentage of the fund's offering price. It is calculated by dividing the net investment income per share earned by the fund over the most recent 30 day period by the maximum offering price per share on the last date of the period. **Distribution Yield** sums the trailing 12-month's income distributions from a fund and divides by the last month's ending Net Asset Value (NAV), excluding any capital gains distributed.

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

## Top 10 holdings[6, 7] (% of portfolio) as of 3/31/26

| | |
|---|---|
| Welltower Inc. | 10.10 |
| Prologis, Inc. | 8.99 |
| Equinix, Inc. | 4.89 |
| Digital Realty Trust, Inc. | 4.50 |
| Simon Property Group, Inc. | 4.44 |
| American Tower Corporation | 4.37 |
| Realty Income Corporation | 4.35 |
| Public Storage | 3.31 |
| Ventas, Inc. | 3.00 |
| Crown Castle Inc. | 2.74 |
| **TOTAL** | **50.69** |

## Statistical information (3 Yr.) as of 3/31/26

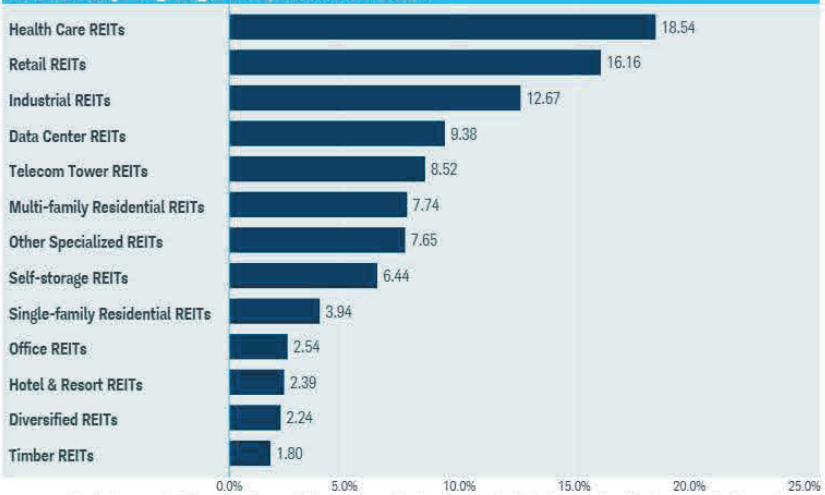
| | |
|---|---|
| **Sharpe ratio** | 0.10 |
| **Standard deviation** | 16.43% |

Data provided by Morningstar, Inc. as of 03/31/26.

## Portfolio characteristics[6] as of 3/31/26

| | |
|---|---|
| **Wtd. avg. market capitalization (in millions)** | $51,288 |
| **Price-to-earnings ratio** | 29.33 |
| **Price-to-book ratio** | 2.47 |
| **Price-to-cash-flow ratio** | 15.15 |
| **Return on equity** | 8.89% |
| **5-year earnings growth** | 6.30% |

## Sub-industry weightings[5] (% of portfolio) as of 3/31/26




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.

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**For more information, please visit www.schwabassetmanagement.com.**
**For additional information about the indices and terms shown, please visit www.schwabassetmanagement.com/resources/glossary.**

Risks of the 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 creditworthiness of the issuer. Investing in REITs may pose additional risks such as real estate industry risk, interest rate risk, risks related to the uncertainty of and compliance with certain tax regime rules, and liquidity risk. Sector funds are not typically diversified and focus their investments on companies involved in a specific sector. The fund may involve a greater degree of risk than an investment in other funds with greater diversification.

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

[2] Morningstar proprietary ratings reflect historical risk-adjusted performance. For each fund with at least a 3-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar risk-adjusted return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. (Each share class is counted as a fraction of 1 fund within this scale and rated separately, which may cause slight variations in the distribution percentages). The top 10% of the funds in an investment category receive 5 stars, 22.5% receive 4 stars, 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star.

[3] Source: Morningstar, Inc. as of 03/31/26.

[4] The inception date of the index is 4/13/20. The fund began tracking the index on 6/22/20.

[5] **REIT Spliced Index** An internally calculated index, compromised 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 03/31/26.

[7] 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.

Diversification strategies do not ensure a profit and do not protect against losses in declining markets.

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

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# American High-Income Trust®

Income

Class F-3 shares **HIGFX**

Q1 fund fact sheet

Data as of March 31, 2026, unless otherwise noted.

CAPITAL GROUP® | AMERICAN FUNDS®

## Key information

**Objective:**

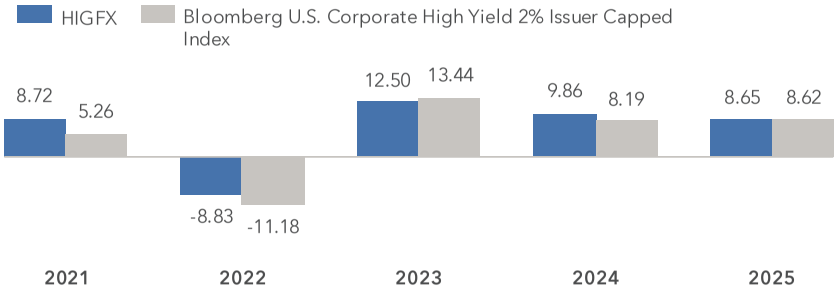
The fund's primary investment objective is to provide you with a high level of current income. Its secondary investment objective is capital appreciation.

**Distinguishing characteristics:**

The strategy invests in a diversified portfolio of lower rated, higher yielding bonds with a focus on income and the potential for capital appreciation. A dedicated team of analysts, traders and portfolio managers collaborate to achieve a comprehensive understanding of a company's financial position and capital structure via fundamental bottom-up analysis. The high-yield investment team benefits from the extensive research capabilities across Capital's equity and macroeconomic analysts.

**Figures shown are past results and are not predictive of results in future periods. Current and future results may be lower or higher than those shown. Investing for short periods makes losses more likely. Prices and returns will vary, so investors may lose money. For current fund information and month-end results, visit capitalgroup.com.**

## Calendar-year total returns (%)




## Investment results

| Data for periods ended 03/31/2026 (%) | Cumulative total returns[8,9] | | | Average annual total returns[8,10] | | | |
|---|---|---|---|---|---|---|---|
| | 3M | YTD | 1Y | 3Y | 5Y | 10Y | Lifetime |
| **HIGFX at net asset value (NAV)** | 0.11 | 0.11 | 7.49 | 9.29 | 5.36 | 6.75 | 7.70 |
| Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index | -0.50 | -0.50 | 7.01 | 8.60 | 4.22 | 6.12 | n/a |
| Morningstar High Yield Bond Category Average | -0.51 | -0.51 | 6.60 | 7.89 | 3.88 | 5.28 | 6.28 |

**Fund's annualized 30-day SEC yield:** 6.36 (as of 03/31/2026)

| Key facts | |
|---|---|
| Inception date | 02/19/1988 |
| CUSIP | 026547778 |
| Assets (millions) | $27,338.0 |
| Morningstar category | High Yield Bond |
| **Key statistics** | |
| Yield to worst (%) | 7.0 |
| 12-month distribution rate (%)[1] | 6.8 |
| Effective duration (years) | 2.9 |
| Issuers (#) | 419 |
| **Expenses (%)** | |
| Expense ratio (gross)[2] | 0.36 |
| **Fixed income sector breakdown (%)** | |
| Credit | 89.3 |
| Corporate | 89.3 |
| Financial | 14.5 |
| Industrial | 73.3 |
| Utilities | 1.5 |
| Credit CDX & TRS[3] | -0.9 |
| Non-corporate credit | 0.9 |
| Treasuries and agencies[4] | 0.0 |
| Other[5] | 4.2 |
| Cash & equivalents[6] | 5.6 |
| CDX & TRS offset[7] | 0.8 |
| Total | 100.0 |


**Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.**

**Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses and/or summary prospectuses, which can be obtained from a financial professional and should be read carefully before investing.**

This material must be preceded or accompanied by a prospectus or summary prospectus for the fund(s) being offered.

The use of derivatives involves a variety of risks, which may be different from, or greater than, the risks associated with investing in traditional securities, such as stocks and bonds.

Lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than higher rated bonds.

The return of principal for bond portfolios and for portfolios with significant underlying bond holdings is not guaranteed. Investments are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Investing outside the United States involves risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be heightened in connection with investments in developing countries.

| Rating exposure (%) | |
|---|---|
| Fixed income | 89.9 |
| BBB/Baa & above | 7.2 |
| BB/Ba | 41.9 |
| B | 25.4 |
| Below B | 14.7 |
| Unrated | 0.8 |
| Other[12] | 4.4 |
| Cash & equivalents[13] | 5.6 |

Bond ratings, which typically range from AAA/Aaa (highest) to D (lowest), are assigned by credit rating agencies such as Standard & Poor's, Moody's and/or Fitch, as an indication of an issuer's creditworthiness. Unless otherwise noted below, if agency ratings differ, a security will be considered to have received the highest of those ratings, consistent with applicable investment policies. Securities in the Unrated category have not been rated by any of the rating agencies referenced above; however, the investment adviser performs its own credit analysis and assigns comparable ratings that are used for compliance with applicable investment policies.
For the fund(s) noted, if agency ratings differ, consistent with applicable investment policies, a security will be considered to have received the middle rating. If only two agencies rate a security, the lower rating is used. If only one rates a security, that single rating is used. (American High-Income Trust)

| Top credit issuers (%) [11] | |
|---|---|
| EchoStar | 2.9 |
| Charter Communications | 2.7 |
| Ford Motor | 1.9 |
| Venture Global Partners II | 1.8 |
| Service Properties | 1.5 |
| Medical Properties Trust | 1.5 |
| Nexstar Media Group | 1.4 |
| Sirius XM Holdings | 1.3 |
| Viasat | 1.3 |
| Cleveland-Cliffs | 1.3 |

There have been periods when the results lagged the index(es) and/or average(s). The indexes are unmanaged and, therefore, have no expenses. Investors cannot invest directly in an index.
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Portfolios are managed, so holdings will change. Certain fixed income and/or cash and equivalents holdings may be held through mutual funds managed by the investment adviser or its affiliates that are not offered to the public.
Totals may not reconcile due to rounding.
Investment results assume all distributions are reinvested and reflect applicable fees and expenses.
When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower and net expenses higher. For more information on fee waivers and expense reimbursements, visit capitalgroup.com.
Certain share classes were offered after the inception dates of some funds. Results for these shares prior to the dates of first sale are hypothetical based on the original share class results without a sales charge, adjusted for typical estimated expenses.
Class F-3 shares were first offered on 1/27/2017.
Results for certain funds with an inception date after the share class inception also include hypothetical returns because those funds' shares sold after the funds' date of first offering. Refer to dates of first sale and specific expense adjustment information at capitalgroup.com.

1. The distribution rate reflects the fund's past dividends paid to shareholders and may differ from the fund's SEC yield which reflects the rate at which the fund is earning income on its current portfolio of securities. The distribution rate reflects fee waivers and/or expense reimbursements in effect during the period. Without waivers and/or reimbursements, it would be reduced.
2. Expense ratios are as of each fund's prospectus/characteristics statement, as applicable, available at the time of publication.
3. Portfolio market value reflect risk notional values. Risk notional is the value of the underlying asset at the current market price for a derivatives trade.
4. Treasuries and agencies may include swaps and futures.
5. Sector breakdown "Other" may include equities, rights, warrants, preferreds, convertibles, forwards and FX (foreign exchange) options.
6. Includes cash, short-term securities, other assets less liabilities, and may include accrued income. It may also include investments in money market or similar funds managed by the investment adviser or its affiliates that are not offered to the public.
7. The offset represents positions within the portfolio used to offset risk and is -1 multiplied by the total of all notional values.
8. When applicable, returns for less than one year are not annualized, but calculated as cumulative total returns.
9. YTD (year-to-date return): For the period from January 1 of the current year to the date shown or from inception date if first offered after January 1 of the current year.
10. Index and/or average lifetime is based on the fund inception date.
11. The information shown does not include cash and cash equivalents. This includes shares of money market or similar funds managed by the investment adviser or its affiliates that are not offered to the public.
12. Rating exposure "Other" may include equities, rights, warrants, preferreds, convertibles, forwards and FX (foreign exchange) options.
13. Includes cash, short-term securities, other assets less liabilities, and may include accrued income. It may also include investments in money market or similar funds managed by the investment adviser or its affiliates that are not offered to the public.

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**Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index:** Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index covers the universe of fixed-rate, non-investment-grade debt. The index limits the maximum exposure of any one issuer to 2%. This index is unmanaged, and its results include reinvested distributions but do not reflect the effect of sales charges, commissions, account fees, expenses or U.S. federal income taxes. **Bond Statistic Average Yield to Worst:** Lower of Yield to Maturity or the bond's total return if put or call options are exercised prior to maturity but no default occurs. **Total Return Swap:** A total return swap (TRS) is a contract between a total return payer and total return receiver. The payer usually pays the total return of agreed security to the receiver and receives a fixed/floating rate payment in exchange. The agreed (or referenced) security can be a bond, index, equity, loan, or commodity. **Bond Statistic Effective Duration in Years:** Effective duration is a duration calculation for bonds that takes into account that expected cash flows will fluctuate as interest rates change. **Distribution Rate 12-Month:** The income per share paid by the fund over the past 12 months to an investor from dividends (including any special dividends). The distribution rate is expressed as a percentage of the current price. **Credit Default Swap Index:** The credit default swap index (CDX) is a benchmark financial instrument made up of credit default swaps (CDS) that have been issued by North American or emerging markets companies. Credit default swaps act like insurance policies offering a buyer protection in case of the borrower's default. **Yield Annualized 30-Day SEC:** The 30-day SEC yield reflects the rate at which the fund is earning income on its current portfolio of securities calculated according to the standardized SEC formula; when applicable, it reflects the maximum sales charge. If shown, a net yield reflects fee waivers and/or expense reimbursements in effect during the period. Without waivers and/or reimbursements, the yield would be reduced. Gross yield does not adjust for any fee waivers and/or expense reimbursements in effect. **Morningstar Category:** In an effort to classify funds by what they own, as well as by their prospectus objectives and styles, Morningstar developed Morningstar Categories. While the prospectus objective identifies a fund's investment goals based on the wording in the fund prospectus, the Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings (portfolio and other statistics over the past three years).

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# IAGG iShares Core International Aggregate Bond ETF

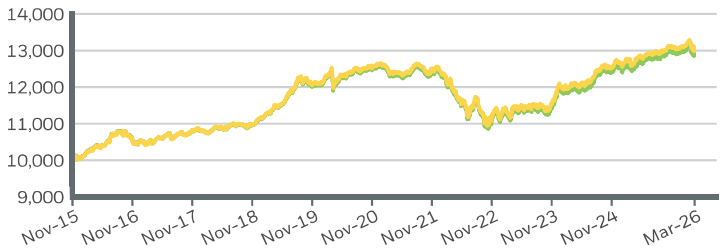
iShares by BlackRock

**Fact Sheet as of March 31, 2026**

## FUND DESCRIPTION

The iShares Core International Aggregate Bond ETF seeks to track an index of global investment-grade bonds excluding U.S. issues. The fund offers a way to diversify fixed income exposure across developed and emerging markets, hedged back to the US dollar.

## GROWTH OF HYPOTHETICAL $10,000 SINCE INCEPTION




Fund Benchmark

*The Growth of $10,000 chart reflects a hypothetical $10,000 investment and assumes reinvestment of dividends and capital gains. Fund expenses, including management fees and other expenses were deducted.*

## CALENDAR YEAR PERFORMANCE (%)

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| NAV | -1.76 | -10.70 | 8.37 | 4.98 | 3.07 |
| Market Price | -1.87 | -10.86 | 8.49 | 4.53 | 3.27 |
| Benchmark | -1.64 | -10.68 | 8.49 | 5.16 | 3.16 |

## ANNUALIZED PERFORMANCE (%)

| | 1y | 3y | 5y | 10y | Since Inception |
|---|---|---|---|---|---|
| NAV | 2.93 | 4.39 | 0.97 | 2.21 | 2.50 |
| Market Price | 3.40 | 4.49 | 1.03 | 2.23 | 2.53 |
| Benchmark | 3.04 | 4.57 | 1.07 | 2.33 | 2.60 |

***The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting www.iShares.com or www.blackrock.com .***

*Beginning 8/10/20, the market price returns are calculated using the closing price. Prior to 8/10/20, the market price returns were calculated using the midpoint of the bid/ask spread at 4:00 PM ET. The returns shown do not represent the returns you would receive if you traded shares at other times.*

## RATINGS

MORNINGSTAR Gold ★★★★

Morningstar has awarded the Fund a GOLD medal (Effective 04/28/2026).†

**Analyst-Driven % :** 100.00%

**Data Coverage % :** 100.00%

Overall Morningstar Rating for iShares Core International Aggregate Bond ETF, as of 05/31/2026 rated against 103 Global Bond-USD Hedged Funds based on risk adjusted total return.††

## KEY FACTS

**Asset Class :** Fixed Income

**Benchmark :** Bloomberg Global Aggregate ex USD 10% Issuer Capped (Hedged to USD) Index

**Fund Launch Date :** 11/30/2015

**Distribution Frequency :** Quarterly

**CUSIP :** 46435G672

**Shares Outstanding :** 255,750,000

**Exchange :** Cboe BZX

**Net Assets of Fund (M) :** $12,750.02

## FEES AND EXPENSES BREAKDOWN

| | |
|---|---|
| **Expense Ratio** | 0.07% |
| Management Fee | 0.07% |
| Acquired Fund Fees and Expenses | 0.00% |
| Other Expenses | 0.00% |

## FUND CHARACTERISTICS

**30 Day SEC Yield :** 2.93%

**Equity Beta (3y) :** 0.16

**Weighted Avg Maturity :** 8.12 yrs

**Effective Duration :** 6.44 yrs

**Standard Deviation (3y) :** 3.32%

**Convexity :** 0.81

**Number of Holdings :** 7,739

# iShares Core International Aggregate Bond ETF

iShares by BlackRock

## TOP HOLDINGS (%)

| | |
|---|---|
| EUR/USD | 1.04% |
| CHINA PEOPLES REPUBLIC OF (GOVERNM | 0.71% |
| CHINA PEOPLES REPUBLIC OF (GOVERNM | 0.71% |
| BLK CSH FND TREASURY SL AGENCY | 0.59% |
| CHINA PEOPLES REPUBLIC OF (GOVERNM | 0.55% |
| CHINA PEOPLES REPUBLIC OF (GOVERNM | 0.51% |
| CHINA PEOPLES REPUBLIC OF (GOVERNM | 0.50% |
| CHINA PEOPLES REPUBLIC OF (GOVERNM | 0.47% |
| CHINA DEVELOPMENT BANK | 0.47% |
| CHINA DEVELOPMENT BANK | 0.47% |
| **Total of Portfolio** | **6.02%** |

*Holdings are subject to change.*

## GEOGRAPHIC BREAKDOWN (%)

| | Fund |
|---|---|
| Other | 22.31 |
| China | 18.60 |
| Japan | 10.88 |
| France | 9.46 |
| Germany | 8.90 |
| United Kingdom | 7.14 |
| Canada | 5.98 |
| Italy | 5.60 |
| Spain | 4.34 |
| Supranational | 3.84 |
| Australia | 2.94 |

*Allocations are subject to change.*

## MATURITY BREAKDOWN (%)

| | Fund |
|---|---|
| Cash and Derivatives | 0.13 |
| 0 - 1 Years | 1.64 |
| 1 - 2 Years | 11.86 |
| 2 - 3 Years | 9.97 |
| 3 - 5 Years | 22.13 |
| 5 - 7 Years | 14.60 |
| 7 - 10 Years | 18.33 |
| 10 - 15 Years | 7.21 |
| 15 - 20 Years | 4.70 |
| 20+ Years | 9.43 |

*Allocations are subject to change.*

## CREDIT RATINGS (%)

| | Fund |
|---|---|
| Cash and/or Derivatives | 0.13 |
| AAA Rated | 21.66 |
| AA Rated | 15.03 |
| A Rated | 41.25 |
| BBB Rated | 14.50 |
| BB Rated | 0.00 |
| Not Rated | 7.42 |

*Credit quality ratings on underlying securities of the holdings within the portfolio are received from S&P, Moody's and Fitch and converted to the equivalent S&P major rating category. This breakdown is provided by BlackRock and takes the median rating of the three agencies when all three agencies rate a security, the lower of the two ratings if only two agencies rate a security, and one rating if that is all that is provided. Unrated securities do not necessarily indicate low quality. Below investment-grade is represented by a rating of BB and below. Ratings and portfolio credit quality may change over time.*

# iShares Core International Aggregate Bond ETF

iShares by BlackRock

## GLOSSARY

**Equity Beta (3y):** Beta is a measure of the tendency of securities to move with the market as a whole. A beta of 1 indicates that the security's price will move with the market. A beta less than 1 indicates the security tends to be less volatile than the market, while a beta greater than 1 indicates the security is more volatile than the market. Calculated vs. S&P 500.

**Distribution Frequency:** How often a distribution is paid by the fund. The most common distribution frequencies are annually, biannually and quarterly.

**Data Coverage %:** Data Coverage % is available input data for rating calculation at the Pillar level.

**30 Day SEC Yield:** A standard calculation of yield introduced by the SEC in order to provide fairer comparison among funds. This yield reflects the interest earned after deducting the fund's expenses during the most recent 30-day period by the average investor in the fund. Negative 30-Day SEC Yield results when accrued expenses of the past 30 days exceed the income collected during the past 30 days.

**Standard Deviation (3y):** Standard deviation measures how dispersed returns are around the average. A higher standard deviation indicates that returns are spread out over a larger range of values and thus, more volatile.

**Effective Duration:** Effective Duration measures the sensitivity of the price of a bond with or without embedded options to changes in interest rates, taking into account the likelihood of the bond being called, put and/or sunk prior to its final maturity date while incorporating after-tax impacts on the bond. The options-based duration model used by BlackRock employs certain assumptions and may differ from other fund complexes. Effective Duration is measured at the individual bond level, aggregated to the portfolio level, and adjusted for leverage, hedging transactions and non-bond holdings, including derivatives.

**Analyst-Driven %:** Analyst Driven % is the analyst input into the overall rating assignment, including direct analyst coverage and inheritance of an analyst-rated pillar.

**Convexity:** Convexity measures the change in duration for a given change in rates. Positive convexity indicates that duration lengthens when rates fall and contracts when rates rise; negative convexity indicates that duration contracts when rates fall and increases when rates rise.

**Weighted Avg Maturity:** The average length of time to the repayment of principal for the securities in the fund. This metric considers the likelihood that bonds will be called or prepaid before the scheduled maturity date.

**Number of Holdings:** The number of holdings in the fund excluding cash positions and derivatives such as futures and currency forwards.

## IMPORTANT INFORMATION:

**Source:** BlackRock, unless otherwise noted.

**Carefully consider the Fund's investment objectives, risk factors, and charges and expenses before investing. This and other information can be found in the Fund's prospectus, and if available, summary prospectus, which may be obtained by calling 1-800-iShares (1-800-474-2737) or by visiting www.iShares.com or www.blackrock.com. Read the prospectus carefully before investing.**
**Investing involves risk, including possible loss of principal.**

†The Morningstar Medalist Rating™ is the summary expression of Morningstar's forward-looking analysis of investment strategies as offered via specific vehicles using a rating scale of Gold, Silver, Bronze, Neutral, and Negative. The Medalist Ratings indicate which investments Morningstar believes are likely to outperform a relevant index or peer group average on a risk-adjusted basis over time. Investment products are evaluated on three key pillars (People, Parent, and Process) which, when coupled with a fee assessment, forms the basis for Morningstar's conviction in those products' investment merits and determines the Medalist Rating they're assigned. Pillar ratings take the form of Low, Below Average, Average, Above Average, and High. Pillars may be evaluated via an analyst's qualitative assessment (either directly to a vehicle the analyst covers or indirectly when the pillar ratings of a covered vehicle are mapped to a related uncovered vehicle) or using algorithmic techniques. Vehicles are sorted by their expected performance into rating groups defined by their Morningstar Category and their active or passive status. When analysts directly cover a vehicle, they assign the three pillar ratings based on their qualitative assessment, subject to the oversight of the Analyst Rating Committee, and monitor and reevaluate them at least every 14 months. When the vehicles are covered either indirectly by analysts or by algorithm, the ratings are assigned monthly. For more detailed information about these ratings, including their methodology, please go to global.morningstar.com/managerdisclosures/. The Morningstar Medalist Ratings are not statements of fact, nor are they credit or risk ratings. The Morningstar Medalist Rating (i) should not be used as the sole basis in evaluating an investment product, (ii) involves unknown risks and uncertainties which may cause expectations not to occur or to differ significantly from what was expected, (iii) are not guaranteed to be based on complete or accurate assumptions or models when determined algorithmically, (iv) involve the risk that the return target will not be met due to such things as unforeseen changes in management, technology, economic development, interest rate development, operating and/or material costs, competitive pressure, supervisory law, exchange rate, tax rates, exchange rate changes, and/or changes in political and social conditions, and (v) should not be considered an offer or solicitation to buy or sell the investment product. A change in the fundamental factors underlying the Morningstar Medalist Rating can mean that the rating is subsequently no longer accurate.

††iShares Core International Aggregate Bond ETF received a Morningstar Rating of 3 stars for the 3-year period, 4 stars for the 5-year period and 4 stars for the 10-year period, rated against 103, 99 and 64 Global Bond-USD Hedged Funds, respectively. Performance results represent past performance and are no guarantee of future results.
For each U.S.-domiciled fund with at least a 3-year history, Morningstar calculates a Morningstar RatingTM based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive five stars, the next 22.5% receive four stars, the next 35% receive three stars, the next 22.5% receive two stars and the bottom 10% receive one star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating metrics.
Morningstar Ratings are for the share classes cited only; other classes may have different ratings.

International investing involves risks, including risks related to foreign currency, limited liquidity, less government regulation and the possibility of substantial volatility due to adverse political, economic or other developments. These risks often are heightened for investments in emerging/developing markets or in concentrations of single countries.
Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments.
Diversification may not protect against market risk or loss of principal. Shares of ETFs are bought and sold at market price (not NAV) and are not

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**IMPORTANT INFORMATION:**

individually redeemed from the fund. Any applicable brokerage commissions will reduce returns.

**Index returns are for illustrative purposes only. Index performance returns do not reflect any management fees or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.**

"Acquired Fund Fees and Expenses" reflect the Fund's pro rata share of the indirect fees and expenses incurred by investing in one or more acquired funds, such as mutual funds, business development companies, or other pooled investment vehicles. AFFE are reflected in the prices of the acquired funds and thus included in the total returns of the Fund.

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