

Vanguard Short-Term Bond Index Fund

ETF Shares (BSV) NYSE Arca

Annual Shareholder Report | December 31, 2024

This annual shareholder report contains important information about Vanguard Short-Term Bond Index Fund (the "Fund") for the period of January 1, 2024, to December 31, 2024. You can find additional information about the Fund at <https://personal1.vanguard.com/ngf-next-gen-form-webapp/fund-literature>. You can also request this information by contacting us at 800-662-7447. **The report describes changes to the Fund that occurred during the reporting period.**

What were the Fund costs for the last year?

(based on a hypothetical \$10,000 investment)

Share Class Name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
ETF Shares	\$4	0.04%

How did the Fund perform during the reporting period?

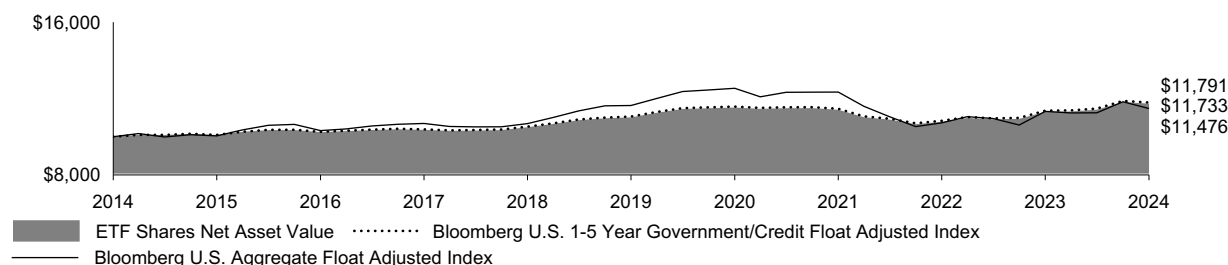
- For the 12 months ended December 31, 2024, the Fund performed in line with its expense-free benchmark, the Bloomberg U.S. 1–5 Year Government/Credit Float Adjusted Index.
- U.S. economic growth hovered around 3% on a year-over-year basis for much of the period, and consumer price inflation trended lower, falling below 3% in July. While the Federal Reserve began cutting short-term interest rates in September, sticky inflation and solid growth reduced expectations for further rate cuts, which weighed on bond prices.
- For the period, yields for very short-term U.S. Treasuries generally fell, while yields for longer-term U.S. Treasuries generally rose.
- Corporate bonds returned 2.13% and mortgage-backed securities returned 1.54%, as measured by components of the Bloomberg U.S. Aggregate Float Adjusted Index.

How did the Fund perform over the past 10 years?

Keep in mind that the Fund's past performance does not indicate how the Fund will perform in the future. Updated performance information is available on our website at vanguard.com/performance or by calling Vanguard toll-free at 800-662-7447. The graph and returns shown do not reflect taxes that a shareholder would pay on fund distributions or on the sale of fund shares.

Cumulative Performance: December 31, 2014, Through December 31, 2024

Initial Investment of \$10,000



Average Annual Total Returns

	1 Year	5 Years	10 Years
ETF Shares Net Asset Value	3.75%	1.27%	1.61%
ETF Shares Market Price	3.79%	1.28%	1.61%
Bloomberg U.S. 1-5 Year Government/Credit Float Adjusted Index	3.76%	1.29%	1.66%
Bloomberg U.S. Aggregate Float Adjusted Index	1.33%	-0.27%	1.39%

This table reflects the Fund's investments, including short-term investments and other assets and liabilities.

Fund Statistics (as of December 31, 2024)		Portfolio Composition % of Net Assets (as of December 31, 2024)	
Fund Net Assets (in millions)	\$58,372	Corporate Bonds	25.4%
Number of Portfolio Holdings	2,779	Sovereign Bonds	4.9%
Portfolio Turnover Rate	56%	Taxable Municipal Bonds	0.1%
Total Investment Advisory Fees (in thousands)	\$1,091	U.S. Government and Agency Obligations	68.9%
		Other Assets and Liabilities—Net	0.7%

How has the Fund changed?

Subsequent to the Fund's fiscal year end, the expense ratio for the ETF Share class was reduced.

This is a summary of certain changes to the Fund since December 31, 2023. For more complete information, you may review the Fund's next prospectus, which we expect to be available by April 30, 2025, at <https://personal1.vanguard.com/ngf-next-gen-form-webapp/fund-literature> or upon request at 800-662-7447.

Where can I find additional information about the Fund?

Additional information about the Fund, including its prospectus, financial information, holdings, and proxy voting information is available at <https://personal1.vanguard.com/ngf-next-gen-form-webapp/fund-literature>.

Connect with Vanguard® • vanguard.com

Fund Information • 800-662-7447
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