



# PARTICIPANT ENROLLMENT INVESTMENT OPTIONS

[Type the abstract of the document here. The abstract is typically a short summary of the contents of the document. Type the abstract of the document here. The abstract is typically a short summary of the contents of the document.]

*Your Guide to  
Investing in the  
Medical Education  
and Research  
Institute Employees'  
401k Profit Sharing  
Plan*

*Version:  
February 28, 2017*

## Introduction

### Why Participate in Your 401k Plan?

1. A 401k plan can be one of your best tools for creating a secure retirement. It provides you with an important advantage: All of the contributions and earnings to your 401k are tax-deferred, which means you only pay taxes on contributions and earnings when the money is withdrawn in retirement.
2. In retirement you will need funds other than Social Security to pay for living expenses. It's up to you as an individual investor to plan for your own future. The Social Security Administration estimated in 2000 that Social Security will provide only 38-40% of an average retiree's living expenses.
3. A long time horizon is your biggest advantage. The sooner you begin investing, the sooner you can achieve your investment goals. Thanks to the power of compounded interest, even investing a small amount on a regular basis over time can provide a substantial nest egg by the time you reach retirement age.
4. Automatic payroll deduction makes it simple to save and reduces the temptation to spend the money. You can relax while investing this way, because you know your money is being invested automatically before you ever see it in your paycheck!

## Keys to Successful Investing

Despite what we are often led to believe, successful investing is not a complicated process. The fundamentals of investment success are actually quite simple.

And yet, sadly, the experience of most investors has been very poor. In fact, a recent study by Dalbar Inc. found that from 1988 to 2008 - the best run in the U.S. stock market's history - the average investor underperformed the stock market by 10% per year, trailing even the return of Treasury Bills (the safest, lowest-yielding investment)!

So, if the principles of successful investing are simple, why are so many investors doing so poorly?

In a word: **Emotions**. Investors let their emotions dictate how they invest, and that is a sure-fire recipe for disaster. It was emotions (greed) that led millions of investors to invest their life savings in technology stocks in the late 1990s, and it was emotions (fear) that led millions of investors to flee to money market funds in 2002, just before the market began a dramatic recovery.

If you are to succeed in building the kind of nest egg you will need to retire on, you must avoid making short-term emotional decisions with your money.

## Simple Rules for Successful Investing

Following these simple principles of successful investing will dramatically increase your chances of having the assets you will need in retirement:

- 1. Let your needs determine how you invest your money:**

Don't make the mistake of basing your investment decisions on the current state of the stock market. Your exposure to stocks should be based on your needs - specifically, how much you need to grow your assets to achieve your retirement goals. Investors who have amassed a considerable amount of money and are close to reaching their goals do not need as much exposure to the stock market as investors who are a long way from retirement and need to grow their nest egg.

Remember, the stock market moves up and down dramatically in the short term, but over the long term the market has delivered steady returns for more than 200 years. Don't let short-term volatility keep you from achieving your long-term goals.

- 2. Diversify away unnecessary risk:**

Many investors take unnecessary risk - that is, risk that they do not need to take to achieve their investment goals. For example, an investor who needs to grow his assets substantially would need a significant investment in stocks, but it doesn't need to be concentrated in just a few stocks or market sectors.

By spreading assets across a variety of sectors and styles - large and small stocks, growth and value stocks, foreign and domestic stocks - an investor can obtain the high returns that stocks have historically delivered without taking on the unnecessary risk of being concentrated in one corner of the market.

- 3. Don't Chase Performance**

Many investors make the mistake of shifting their money around to whichever segment of the market has been the hottest lately. They hope that they will be able to "join the party" and enjoy the unusually large returns that a particular segment of the market has been enjoying recently. Wall Street and the media encourage this short-term view of investing by focusing on hot stocks, hot sectors and hot mutual funds.

However, the disclaimer "past performance is not an indicator of future returns" is also the truth. There have been many studies conducted that have found there is no relationship with how an investment has done in the past and how it will perform in the future. In fact, most investors arrive on the scene too late, just in time to catch the hot sector on its way down.

Don't make the mistake of chasing performance. Find the strategy that is right for your long-term needs and avoid the temptation to let the short-term "noise" take you off track.

## Four Easy Steps to Investing in Your 401k

### Step One:

#### Decide how much you need to save to reach your retirement goals

Complete the worksheet on page 4 to help you make a determination about how much you need to save in order to reach your goals.

### Step Two:

#### Complete the Investor Profile Questionnaire

Completing the Investor Profile Questionnaire on page 5 will help you understand your tolerance for risk and your comfort (ability to sleep at night) with investing. Your total score will help you choose one of the portfolio strategies available in your Plan.

### Step Three:

#### Review the Portfolio Strategies and the Funds available in your Plan

Carefully review the information about each of the portfolio strategies, including the past performance and risk characteristics of the portfolios (Remember, past performance does not guarantee future results).

You can also review the information about the individual funds that are used in these portfolio strategies at the end of this section, or you may wish to review each fund's prospectus via the fund company's website – <http://www.dfaus.com>.

### Step Four:

#### Select your Portfolio Strategy

Indicate the portfolio strategy you have selected and complete the enrollment process through the Plan's website.

## Step One: Decide How Much You Need to Save

Use the following worksheet to determine the amount you need to save each month in order to achieve your retirement goals. When you have completed this worksheet, move on to the Investor Profile Questionnaire in Step Two.

	Enter Your Values Here	Example
1. Current annual salary		\$30,000
2. Estimated annual retirement income:		
a. Social Security <i>(the average is 30% of line 1)</i>		\$9,000
b. Pension Plan, if any		\$15,000
3. Total estimated retirement income <i>(2a + 2b)</i>		\$24,000
4. Annual income needed from your supplemental savings <i>(line 1 minus line 3)</i>		\$6,000
5. Target retirement age		62
6. Retirement age factor:		18.8
Age:     67     65     62     60     55		
Factor:  16.4  17.4  18.8  19.6  21.5		
7. Amount you need to save (in today's dollars) by your desired retirement age <i>(line 4 times line 6)</i>		\$112,800
8. Current balance of 401k / 457 / 403(b) / IRA / etc.		\$4,800
9. Number of years until you retire		20
10. Years until retirement factor		2.2
Years:    5     10     15     20     25     30		
Factor:  1.2   1.5   1.8   2.2   2.7   3.2		
11. Future value of current savings at retirement <i>(line 8 times line 10)</i>		\$10,560
12. Retirement shortfall <i>(line 7 minus line 11)</i>		\$102,240
13. Factor based on years to retirement		.034
Years:    5     10     15     20     25     30		
Factor:  .184  .083  .050  .034  .024  .018		
14. Supplemental annual savings required <i>(line 12 times line 13)</i>		\$3,476
15. Current annual savings <i>(Including employer paid 401(k), etc.)</i>		\$900
16. Additional annual savings required <i>(line 14 minus line 15)</i>		\$2,576
17. Additional monthly savings required <i>(line 16 divided by the number 12)</i>		\$215

Note: All figures are in today's dollars. That means you should increase your savings each year at least by the rate of inflation.

## Step Two: Investor Profile Questionnaire:

### What type of investor are you?

The purpose of this questionnaire is to help you answer that question by determining your risk profile so that it can be appropriately matched with an investment portfolio. This questionnaire will help define important factors such as your investment objectives, time horizon, and your attitudes toward investing. To complete this questionnaire, answer each question by circling the number in the right hand column that best matches your profile, totaling the numbers where indicated. When answering these questions, you should keep in mind the savings needs you determined in Step One.

#### A. Investment Objectives

	Circle One
Which of the following best describes your investment objectives? <ul style="list-style-type: none"> <li>Preserving principal</li> <li>Growing my assets reasonably with moderate degree of risk</li> <li>Growing my assets substantially with a high degree of risk</li> </ul>	1 2 3
Ten years from now, what do you expect your portfolio value to be? <ul style="list-style-type: none"> <li>The same or a little more than it is today?</li> <li>Moderately greater than it is today</li> <li>Substantially greater than it is today</li> </ul>	1 2 3
My current income and future income sources (e.g. salary, pension, social security) are: <ul style="list-style-type: none"> <li>Unstable</li> <li>Somewhat stable</li> <li>Stable</li> </ul>	1 2 3
<b>Investment Objectives Total:</b>	
<b>B. Time Horizon</b>	
How many years until your need for retirement income begins? <ul style="list-style-type: none"> <li>0 to 5 years</li> <li>5 to 10 years</li> <li>10 to 15 years</li> <li>15 years or longer</li> </ul>	1 2 5 10
What is your age? <ul style="list-style-type: none"> <li>Over 66</li> <li>56 to 65</li> <li>46 to 55</li> <li>Under 46</li> </ul>	1 2 5 10
<b>Time Horizon Total:</b>	

## C. Risk Tolerance

Circle One

You just received a substantial sum of money. How would you invest it?  
I would invest in something that offered.....

- Capital preservation and had low volatility. 1
- Moderate total return with a moderate amount of volatility. 2
- High total return with a moderately high amount of volatility. 3
- Substantial capital appreciation even though it had a high amount of volatility. 4

Which of the following statements best describes your reaction if the value of your portfolio suddenly declined 15%?

- I would be very concerned. 1
- If the amount of income I received was unaffected, it would not bother me. 2
- I invest for long-term growth, but would be concerned about a decline. 3
- I invest for long-term growth and accept temporary changes due to market fluctuations. 4

Which of the following investments would you feel most comfortable owning?

- Certificates of Deposit ("CD's") 1
- Stocks of established companies ("Blue-chip") 2
- Stocks of newer, faster growing companies 3

How optimistic are you about the long-term prospects for the economy?

- Pessimistic 1
- Unsure 2
- Somewhat optimistic 3
- Very optimistic 4

### Risk Tolerance Total

**INVESTOR TOTAL SCORE** (Investment Objectives + Time Horizon + Risk Tolerance)

*This questionnaire is provided as a tool to help determine which 401k investment portfolio may be best suited to meet your needs as an investor. This exercise is intended only as a guideline; your investment decision should be based on your investment objectives, time horizon, and investment risk profile, as well as any other income, assets and investments you have outside the 401k plan.*

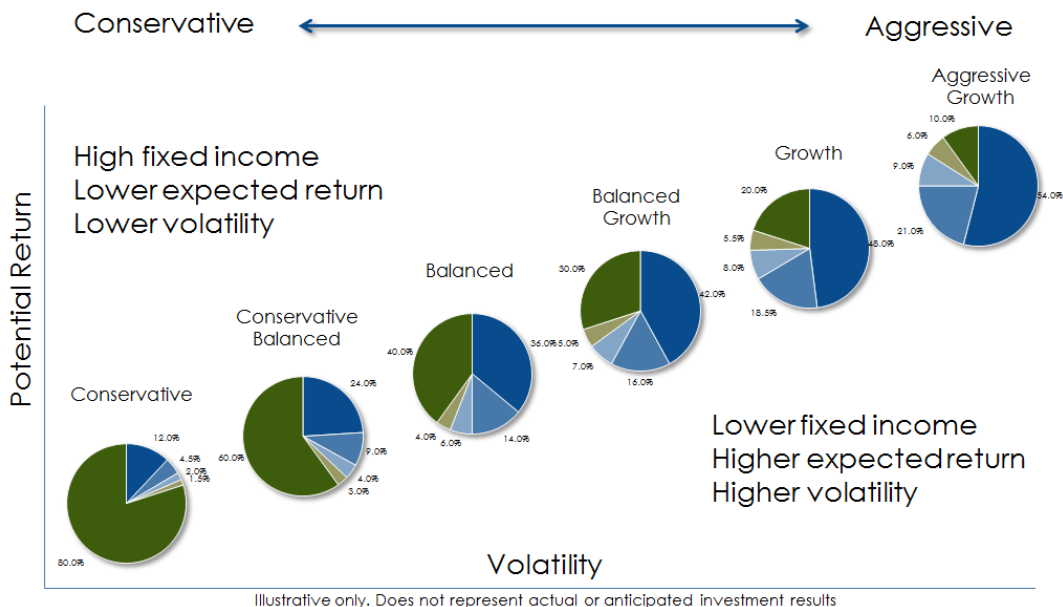
INVESTOR TOTAL SCORE	INVESTMENT PORTFOLIO (Equity / Fixed)
9-13	Conservative (20/80)
14-21	Conservative Balanced (40/60)
22-29	Balanced (60/40)
30-34	Balanced Growth (70/30)
35-40	Growth (80/20)
41-45	Aggressive Growth (90/10)

## Step Three: Review the Investment Options

Carefully review the following information about each of the available investment options. The next section (pages 8-13) contains information about your Plan’s designated investment alternatives, as well as pre-defined asset allocation models (pages 14-20).

### Asset Allocation Models

The asset allocation models, which are provided for your convenience, are a means of allocating your account assets among specific designated investment alternatives. These allocation models differ primarily in the ratio of equity (stocks) to fixed income (bonds), and can be portrayed in a continuum from conservative to aggressive as depicted below.



When considering either the designated investment alternatives or the asset allocation models, it is important to consider past performance and risk characteristics.

### Default Investments

Unless you make an investment selection, your contributions will be invested in one of the default options for the Plan based on your current age. The default investment alternatives for the Plan are fully diversified portfolio strategies. The portfolio strategies are built around various asset classes and their risk and return characteristics. Your current age will determine which portfolio you will automatically be enrolled in should you choose not to select an investment option.

The Qualified Default Investment Alternatives are described below:

- For Participants 40 years of age and younger: Balanced Growth Portfolio (70% equities / 30% fixed-income)
- For Participants 41 years of age to 55 years of age: Balanced Portfolio (60% equities / 40% fixed-income)
- For Participants 55 years of age and older: Conservative Balanced Portfolio (40% equities / 60% fixed-income)

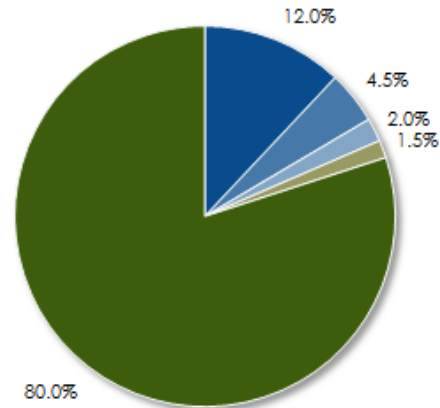
If you have questions regarding the available investment options, please feel free to contact:

Greg Davis  
 Century Wealth Management, llc  
[Greg@CenturyWealth.com](mailto:Greg@CenturyWealth.com) 901-850-5532

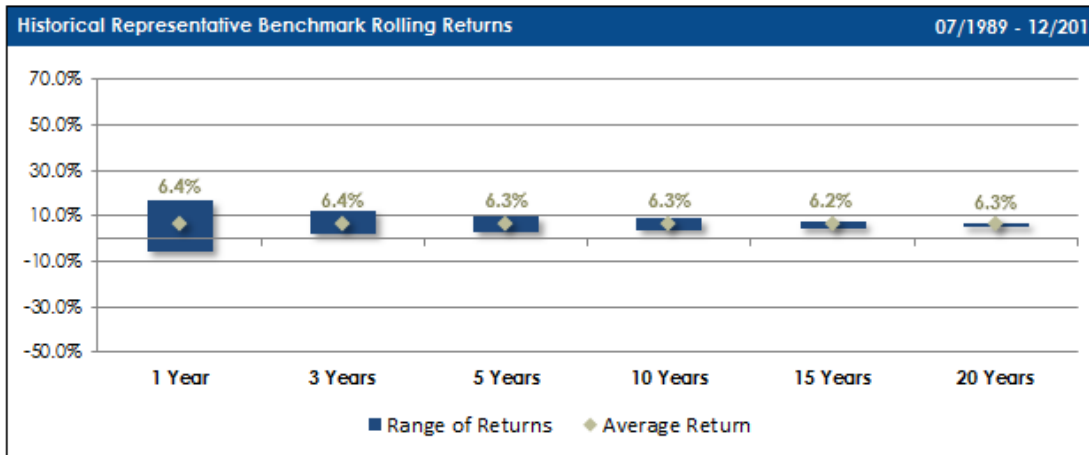
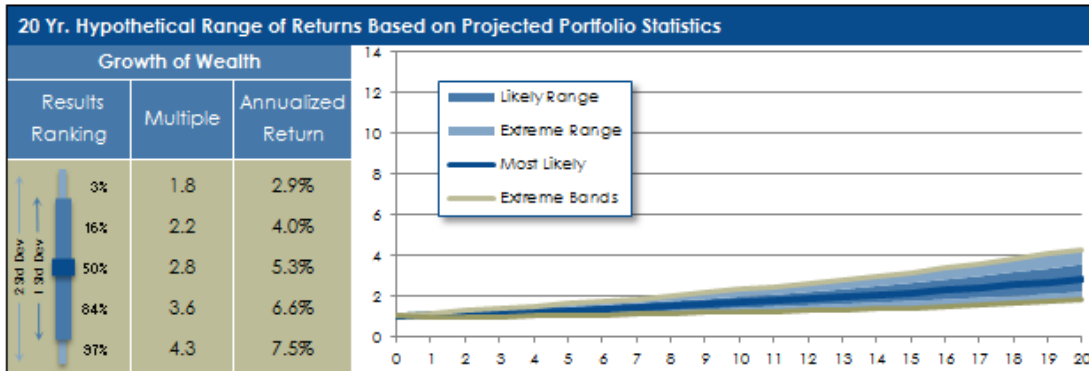
## Conservative Portfolio

**Illustrated Assets** 100,000  
**Custom Benchmark\*** 20% Equity / 80% Fixed Income

Asset Class	Fund	Allocation	Amount
US Equity	DFEOX	12.0%	12,000
Intl. Equity	DFIEX	4.5%	4,500
EM Equity	DFEMX	2.0%	2,000
Real Estate	DFGEX	1.5%	1,500
Fixed Inc.	DFGBX	80.0%	80,000
<b>Total</b>		<b>100.0%</b>	<b>100,000</b>



Portfolio Statistics	
Growth Assets	20.0%
Assumed Inflation	2.5%
Projected Average Annual Return	5.6%
Projected Standard Deviation	5.8%
Estimated Cost of Underlying Fund:	0.27%



\*20/60 Blended Benchmark: 12% Russell 3000; 4% MSCI World ex USA; 2% MSCI EM; 2% S&P Global REIT; 80% Barclays Aggregate

Data presented here is based on a combination of past performance and assumptions about future capital market rates of return developed by Century Wealth Management. Past performance is no guarantee of future results and future performance may be lower than past results or the assumptions used in this illustration. All data is modeled before taxes and fees. Details available upon request.

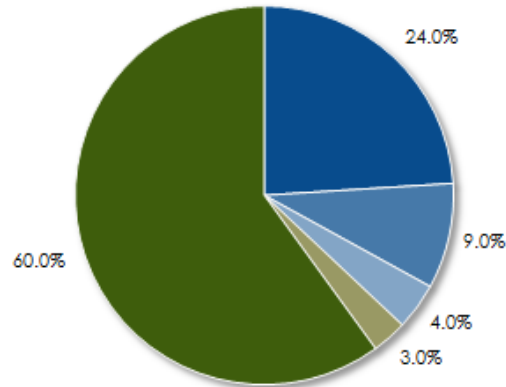
The **Historical Benchmark Rolling Returns** are NOT the historical performance of our model portfolio. It is based on historical results of representative indices allocated in proportion to our current model (12% Russell 3000; 4% MSCI World ex USA; 2% MSCI EM; 2% S&P Global REIT; 80% Barclays Aggregate). These indices are not available for direct investment and performance does not reflect expense of an actual portfolio.

The **Portfolio Statistics** and **20 Yr. Range of Return** sections are based on historical and forward looking capital market return assumptions and portfolio modeling done by Century Wealth Management in MoneyGuidePro. Details available upon request.

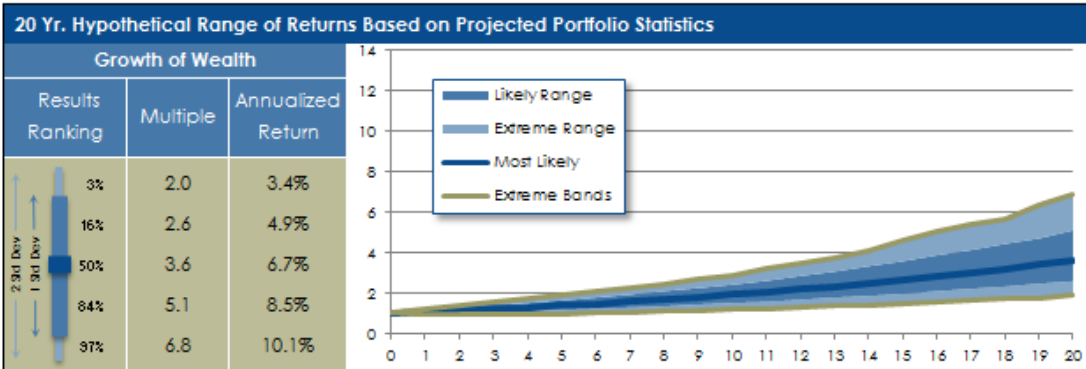
## Conservative Balanced Portfolio

Illustrated Assets: 100,000  
 Custom Benchmark\*: 40% Equity / 60% Fixed Income

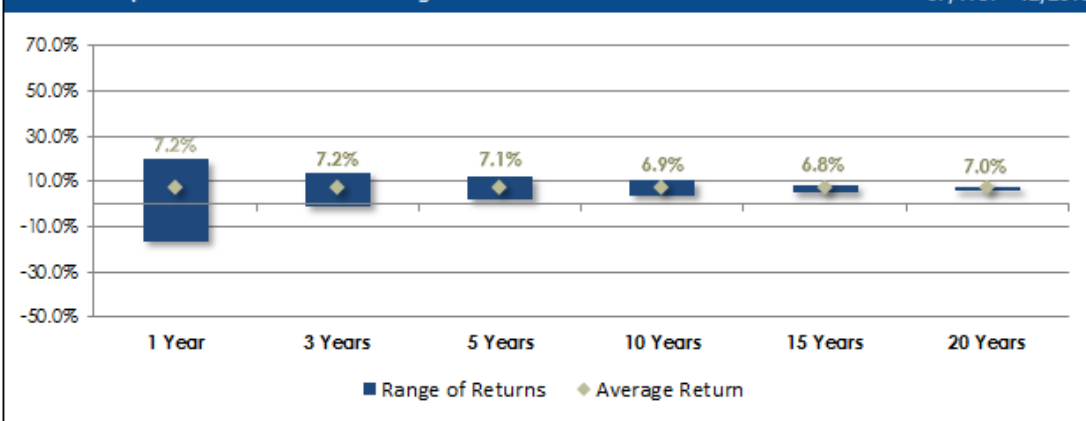
Asset Class	Fund	Allocation	Amount
US Equity	DFEOX	24.0%	24,000
Intl. Equity	DFIEX	9.0%	9,000
EM Equity	DFEMX	4.0%	4,000
Real Estate	DFGEX	3.0%	3,000
Fixed Inc.	DFGBX	60.0%	60,000
<b>Total</b>		<b>100.0%</b>	<b>100,000</b>



Portfolio Statistics	
Growth Assets	40.0%
Assumed Inflation	2.5%
Projected Average Annual Return	7.0%
Projected Standard Deviation	7.9%
Estimated Cost of Underlying Fund:	0.27%



### Historical Representative Benchmark Rolling Returns 07/1989 - 12/2016



\*40/60 Blended Benchmark: 24% Russell 3000; 9% MSCI Worlds ex USA; 4% MSCI EM; 3% S&P Global REIT; 60% Barclays Aggregate

Data presented here is based on a combination of past performance and assumptions about future capital market rates of return developed by Century Wealth Management. Past performance is no guarantee of future results and future performance may be lower than past results or the assumptions used in this illustration. All data is modeled before taxes and fees. Details available upon request.

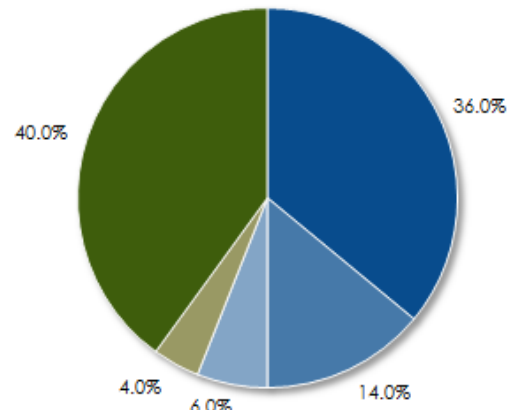
The **Historical Benchmark Rolling Returns** are NOT the historical performance of our model portfolio. It is based on historical results of representative indices allocated in proportion to our current model (24% Russell 3000; 9% MSCI Worlds ex USA; 4% MSCI EM; 3% S&P Global REIT; 60% Barclays Aggregate). These indices are not available for direct investment and performance does not reflect expense of an actual portfolio.

The **Portfolio Statistics** and **20 Yr. Range of Return** sections are based on historical and forward looking capital market return assumptions and portfolio modeling done by Century Wealth Management in MoneyGuidePro. Details available upon request.

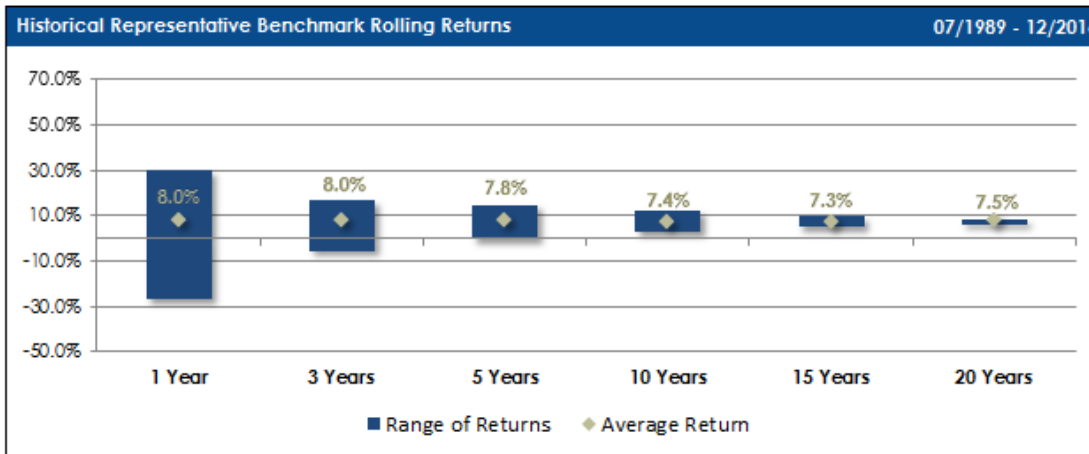
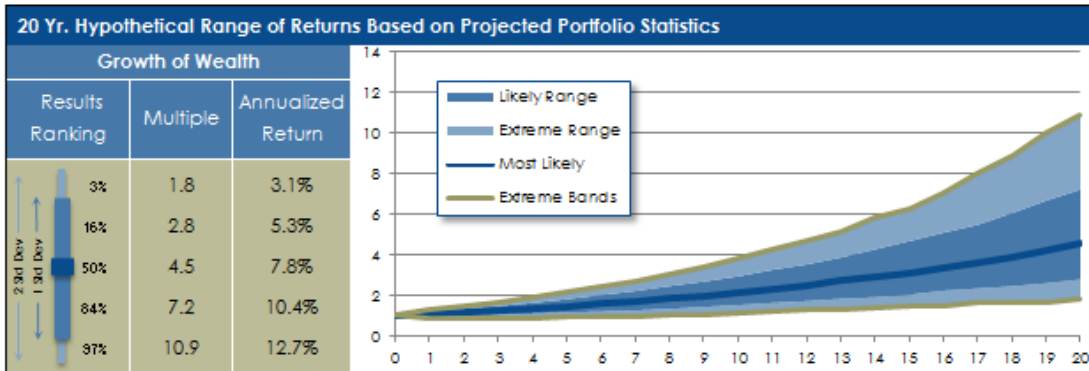
## Balanced Portfolio

Illustrated Assets 100,000  
 Custom Benchmark\* 60% Equity / 40% Fixed Income

Asset Class	Fund	Allocation	Amount
US Equity	DFEOX	36.0%	36,000
Intl. Equity	DFIEX	14.0%	14,000
EM Equity	DFEMX	6.0%	6,000
Real Estate	DFGEX	4.0%	4,000
Fixed Inc.	DFGBX	40.0%	40,000
<b>Total</b>		<b>100.0%</b>	<b>100,000</b>



Portfolio Statistics	
Growth Assets	60.0%
Assumed Inflation	2.5%
Projected Average Annual Return	8.4%
Projected Standard Deviation	11.1%
Estimated Cost of Underlying Fund:	0.27%



\* 60/40 Blended Benchmark: 36% Russell 3000; 14% MSCI World ex USA; 6% MSCI EM; 4% S&P Global REIT; 40% Barclays Aggregate

Data presented here is based on a combination of past performance and assumptions about future capital market rates of return developed by Century Wealth Management. Past performance is no guarantee of future results and future performance may be lower than past results or the assumptions used in this illustration. All data is modeled before taxes and fees. Details available upon request.

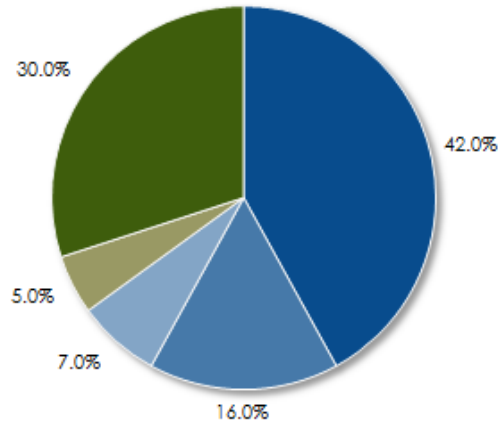
The Historical Benchmark Rolling Returns are NOT the historical performance of our model portfolio. It is based on historical results of representative indices allocated in proportion to our current model (36% Russell 3000; 14% MSCI World ex USA; 6% MSCI EM; 4% S&P Global REIT; 40% Barclays Aggregate). These indices are not available for direct investment and performance does not reflect expense of an actual portfolio.

The Portfolio Statistics and 20 Yr. Range of Return section are based on historical and forward looking capital market return assumptions and portfolio modeling done by Century Wealth Management in MoneyGuidePro. Details available upon request.

## Balanced Growth Portfolio

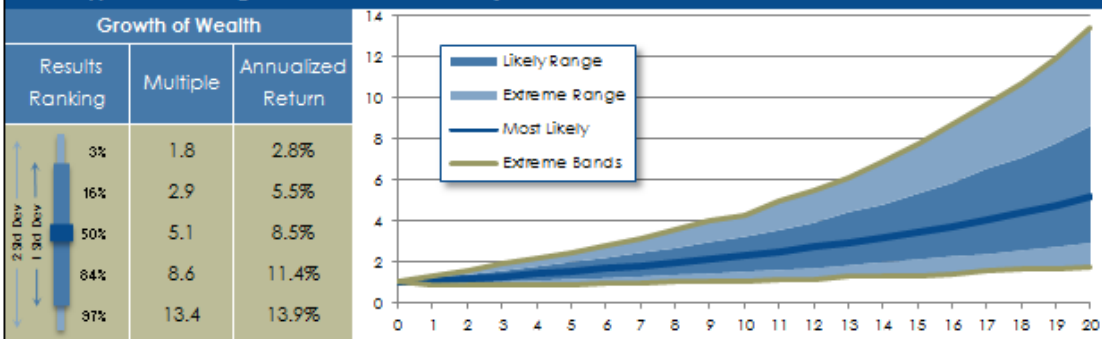
**Illustrated Assets** 100,000  
**Custom Benchmark\*** 70% Equity / 30% Fixed Income

Asset Class	Fund	Allocation	Amount
US Equity	DFEOX	42.0%	42,000
Intl. Equity	DFIEX	16.0%	16,000
EM Equity	DFEMX	7.0%	7,000
Real Estate	DFGEX	5.0%	5,000
Fixed Inc.	DFGBX	30.0%	30,000
<b>Total</b>		<b>100.0%</b>	<b>100,000</b>



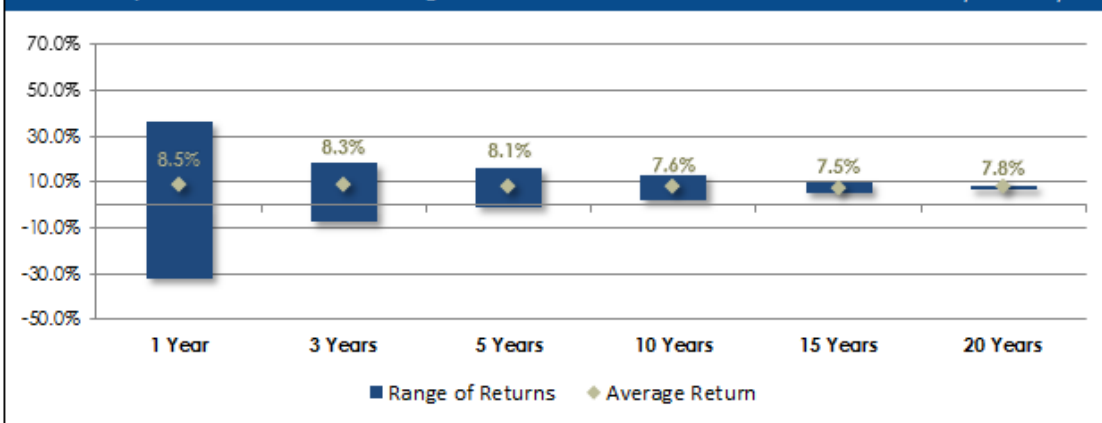
Portfolio Statistics	
Growth Assets	70.0%
Assumed Inflation	2.5%
Projected Average Annual Return	9.1%
Projected Standard Deviation	12.8%
Estimated Cost of Underlying Fund:	0.27%

### 20 Yr. Hypothetical Range of Returns Based on Projected Portfolio Statistics



### Historical Representative Benchmark Rolling Returns

07/1989 - 12/2016



\*70/30 Blended Benchmark: 42% Russell 3000; 16% MSCI World ex USA; 7% MSCI EM; 5% S&P Global REIT; 30% Barclays Aggregate

Data presented here is based on a combination of past performance and assumptions about future capital market rates of return developed by Century Wealth Management. Past performance is no guarantee of future results and future performance may be lower than past results or the assumptions used in this illustration. All data is modeled before taxes and fees. Details available upon request.

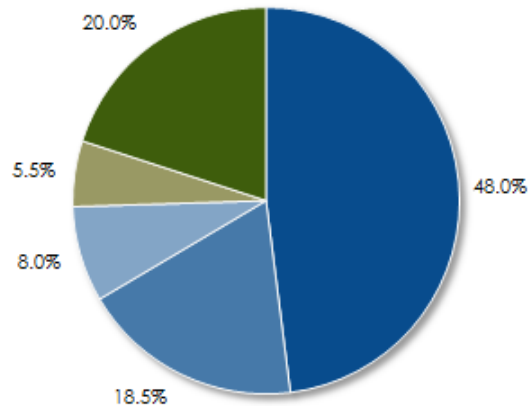
The **Historical Benchmark Rolling Returns** are NOT the historical performance of our model portfolio. It is based on historical results of representative indices allocated in proportion to our current model (42% Russell 3000; 16% MSCI World ex USA; 7% MSCI EM; 5% S&P Global REIT; 30% Barclays Aggregate). These indices are not available for direct investment and performance does not reflect expense of an actual portfolio.

The **Portfolio Statistics** and **20 Yr. Range of Return** section are based on historical and forward looking capital market return assumptions and portfolio modeling done by Century Wealth Management in MoneyGuidePro. Details available upon request.

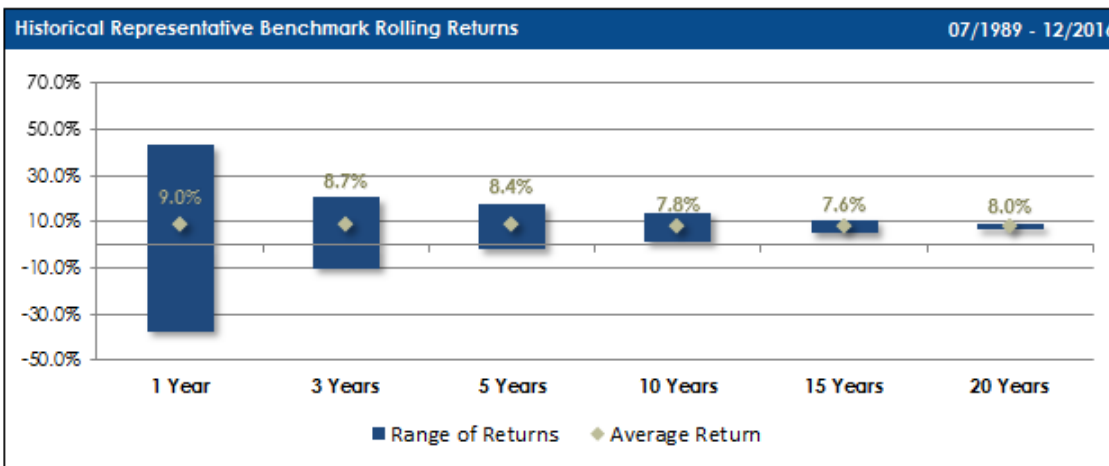
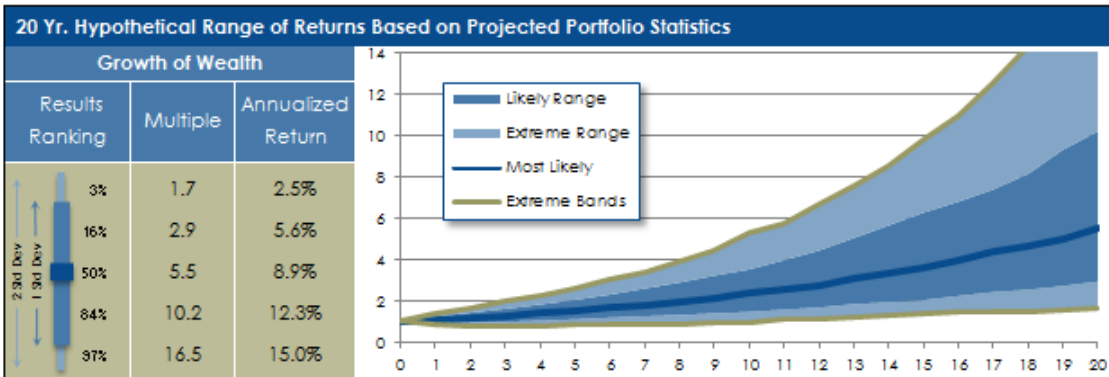
## Growth Portfolio

Illustrated Assets **100,000**  
 Custom Benchmark\* **80% Equity / 20% Fixed Income**

Asset Class	Fund	Allocation	Amount
US Equity	DFEOX	48.0%	48,000
Intl. Equity	DFIEX	18.5%	18,500
EM Equity	DFEMX	8.0%	8,000
Real Estate	DFGEX	5.5%	5,500
Fixed Inc.	DFGBX	20.0%	20,000
<b>Total</b>		<b>100.0%</b>	<b>100,000</b>



Portfolio Statistics	
Growth Assets	80.0%
Assumed Inflation	2.5%
Projected Average Annual Return	9.8%
Projected Standard Deviation	14.5%
Estimated Cost of Underlying Fund:	0.27%



\*80/20 Blended benchmark: 48% Russell 3000; 18% MSCI World ex USA; 8% MSCI EM; 6% S&P Global REIT; 20% Barclays Aggregate Bond

Data presented here is based on a combination of past performance and assumptions about future capital market rates of return developed by Century Wealth Management. Past performance is no guarantee of future results and future performance may be lower than past results or the assumptions used in this illustration. All data is modeled before taxes and fees. Details available upon request.

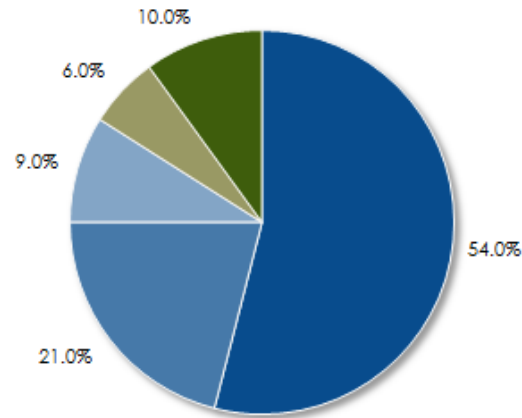
The **Historical Benchmark Rolling Returns** are NOT the historical performance of our model portfolio. It is based on historical results of representative indices allocated in proportion to our current model (48% Russell 3000; 18% MSCI World ex USA; 8% MSCI EM; 6% S&P Global REIT; 20% Barclays Aggregate). These indices are not available for direct investment and performance does not reflect expense of an actual portfolio.

The **Portfolio Statistics** and **20 Yr. Range of Return** section are based on historical and forward looking capital market return assumptions and portfolio modeling done by Century Wealth Management in MoneyGuidePro. Details available upon request.

## Aggressive Growth Portfolio

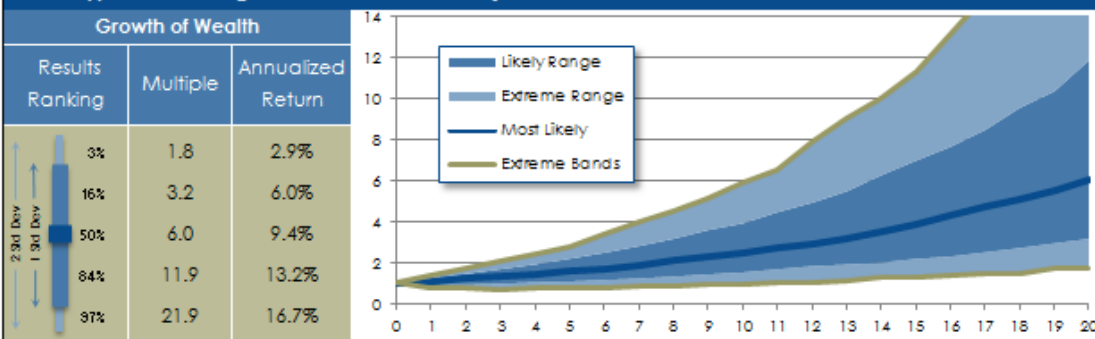
Illustrated Assets 100,000  
 Custom Benchmark\* 90% Equity / 10% Fixed Income

Asset Class	Fund	Allocation	Amount
US Equity	DFEOX	54.0%	54,000
Intl. Equity	DFIEX	21.0%	21,000
EM Equity	DFEMX	9.0%	9,000
Real Estate	DFGEX	6.0%	6,000
Fixed Inc.	DFGBX	10.0%	10,000
<b>Total</b>		<b>100.0%</b>	<b>100,000</b>



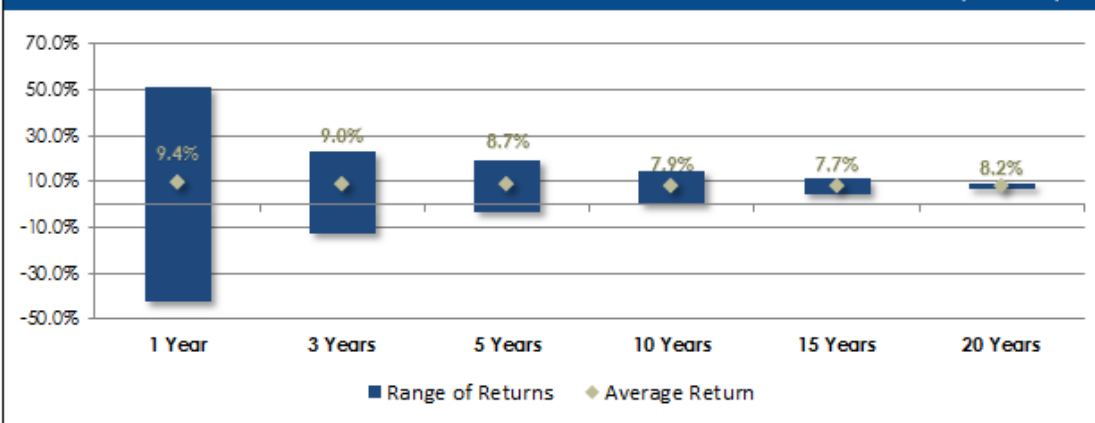
Portfolio Statistics	
Growth Assets	90.0%
Assumed Inflation	2.5%
Projected Average Annual Return	10.6%
Projected Standard Deviation	16.4%
Estimated Cost of Underlying Fund:	0.27%

### 20 Yr. Hypothetical Range of Returns Based on Projected Portfolio Statistics



### Historical Representative Benchmark Rolling Returns

07/1989 - 12/2016



\*80/20 Blended benchmark: 54% Russell 3000; 21% MSCI World ex USA; 9% MSCI EM; 6% S&P Global REIT; 10% Barclays Aggregate

Data presented here is based on a combination of past performance and assumptions about future capital market rates of return developed by Century Wealth Management. Past performance is no guarantee of future results and future performance may be lower than past results or the assumptions used in this illustration. All data is modeled before taxes and fees. Details available upon request.

The **Historical Benchmark Rolling Returns** are NOT the historical performance of our model portfolio. It is based on historical results of representative indices allocated in proportion to our current model (54% Russell 3000; 21% MSCI World ex USA; 9% MSCI EM; 6% S&P Global REIT; 10% Barclays Aggregate). These indices are not available for direct investment and performance does not reflect expense of an actual portfolio.

The **Portfolio Statistics** and **20 Yr. Range of Return** section are based on historical and forward looking capital market return assumptions and portfolio modeling done by Century Wealth Management in MoneyGuidePro. Details available upon request.



## US CORE EQUITY 1 PORTFOLIO (I)

AS OF DECEMBER 31, 2016

### ABOUT DIMENSIONAL\*

Dimensional is a leading global investment firm that has been translating academic research into practical investment solutions since 1981. Guided by a strong belief in markets, Dimensional offers strategies that focus on the drivers of expected returns. The firm applies a dynamic implementation process that integrates advanced research, methodical portfolio design, and careful execution, while balancing risks, costs, and other tradeoffs that may impact performance. This approach is applied across a full suite of investment strategies to help meet the needs of investors worldwide.

### OVERVIEW

Benchmark	Russell 3000 Index
Inception Date	Sep. 15, 2005
Ticker	DFEOX
Fund Assets Under Management	\$16.5 Billion

### INVESTMENT OBJECTIVE

The investment objective of the U.S. Core Equity 1 Portfolio is to achieve long-term capital appreciation.

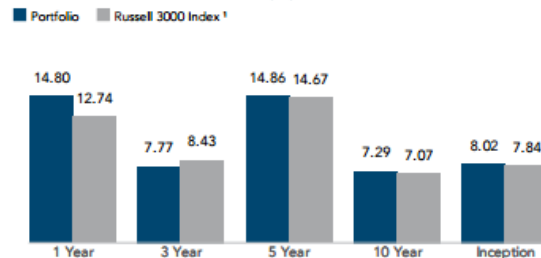
### PRINCIPAL RISKS

Risks include loss of principal and fluctuating value. Value investing is subject to risk which may cause underperformance compared to other equity investment strategies. Small cap securities are subject to greater volatility than those in other asset categories. Sector-specific investments can also increase these risks. For more detail regarding the risks affecting this Portfolio, please see the Principal Risks section of the prospectus.

### CHARACTERISTICS

Number of Holdings	2,654
% in Top 10 Holdings	12.34
Wtd. Avg. Mkt. Cap. (Millions)	\$97,037
Price-to- Book	2.62
Annual Turnover (Oct. 31, 2015)	4%

### ANNUALIZED PERFORMANCE (%)



### CALENDAR YEAR RETURNS (%)

	PORTFOLIO	BENCHMARK
2015	-1.35%	0.48%
2014	10.52%	12.56%
2013	36.60%	33.55%
2012	16.91%	16.42%
2011	-0.64%	1.03%
2010	20.11%	16.93%
2009	29.84%	28.34%
2008	-36.53%	-37.31%
2007	2.79%	5.14%

Performance for the portfolio is reported net of all advisory fees and includes reinvestment of dividends and other earnings. Performance less than one year is not annualized. Performance data shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance shown. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end, visit [us.dimensional.com](http://us.dimensional.com). An index is not available for direct investment.

\* "Dimensional" refers to the Dimensional separate but affiliated entities generally, rather than to one particular entity. These entities are Dimensional Fund Advisors LP, Dimensional Fund Advisors Ltd., DFA Australia Limited, Dimensional Fund Advisors Canada ULC, Dimensional Fund Advisors Pte. Ltd., and Dimensional Japan Ltd.

## GICS SECTOR ALLOCATION

Information Technology	19.26%
Financials	16.64%
Consumer Discretionary	15.22%
Industrials	13.71%
Health Care	11.00%
Consumer Staples	7.95%
Energy	6.12%
Materials	4.58%
Utilities	2.84%
Telecommunication Services	2.69%
REITs	---

## TOP HOLDINGS

Apple Inc	2.51%
Microsoft Corp	1.56%
AT&T Inc	1.27%
Amazon.com Inc	1.21%
Exxon Mobil Corp	1.08%
JPMorgan Chase & Co	1.06%
Alphabet Inc	0.98%
Wells Fargo & Co	0.96%
Berkshire Hathaway Inc	0.86%
Johnson & Johnson	0.85%

## FUND COSTS

Management Fee	0.17%
Total Operating Expense Ratio	0.19%
Net Expense Ratio (to investor)	0.19%

Under certain circumstances, the Advisor has contractually agreed to waive certain fees and/or assume certain expenses of the Portfolio. The Advisor may amend or discontinue the waivers at any time, one year from the date of the prospectus. The net expense ratio reflects the total annual fund operating expenses of the Portfolio after taking into account any such fee waiver and/or expense reimbursement arrangements. Please read the Portfolio's prospectus for details and more information.

Dimensional Fund Advisors LP is an investment advisor registered with the Securities and Exchange Commission. Consider the investment objectives, risks, and charges and expenses of the Dimensional funds carefully before investing. For this and other information about the Dimensional funds, please read the prospectus carefully before investing. Prospectuses are available by calling Dimensional Fund Advisors collect at (512) 306-7400 or at [us.dimensional.com](http://us.dimensional.com). Dimensional funds are distributed by DFA Securities LLC. Holdings are subject to change. Numbers may not total 100% due to rounding.

<sup>1</sup> The Russell 3000 Index measures the performance of the 3,000 largest publicly traded US companies based on total market capitalization. It is not an investment product available for purchase. Frank Russell Company is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes.



## INTERNATIONAL CORE EQUITY PORTFOLIO (I)

AS OF DECEMBER 31, 2016

### ABOUT DIMENSIONAL\*

Dimensional is a leading global investment firm that has been translating academic research into practical investment solutions since 1981. Guided by a strong belief in markets, Dimensional offers strategies that focus on the drivers of expected returns. The firm applies a dynamic implementation process that integrates advanced research, methodical portfolio design, and careful execution, while balancing risks, costs, and other tradeoffs that may impact performance. This approach is applied across a full suite of investment strategies to help meet the needs of investors worldwide.

### OVERVIEW

Benchmark	MSCI World ex USA Index (net div.)
Inception Date	Sep. 15, 2005
Ticker	DFIEX
Fund Assets Under Management	\$17.7 Billion

### INVESTMENT OBJECTIVE

The investment objective of the International Core Equity Portfolio is to achieve long-term capital appreciation.

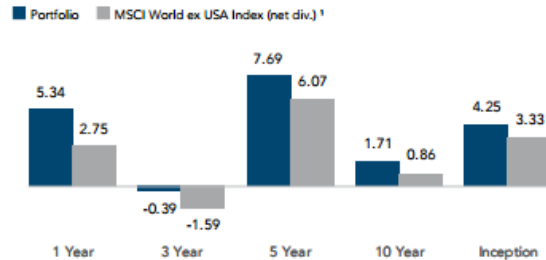
### PRINCIPAL RISKS

Risks include loss of principal and fluctuating value. Small cap securities are subject to greater volatility than those in other asset categories. Value investing is subject to risk which may cause underperformance compared to other equity investment strategies. International investing involves special risks such as currency fluctuation and political instability. Investing in emerging markets may accentuate these risks. Sector-specific investments can also increase investment risks. For more detail regarding the risks affecting this Portfolio, please see the Principal Risks section of the prospectus.

### CHARACTERISTICS

Number of Holdings	5,170
% in Top 10 Holdings	6.49
Wtd. Avg. Mkt. Cap. (Millions)	\$27,287
Price-to-Book	1.48
Annual Turnover (Oct. 31, 2015)	4%

### ANNUALIZED PERFORMANCE (%)



### CALENDAR YEAR RETURNS (%)

	PORTFOLIO	BENCHMARK
2015	-0.21%	-3.04%
2014	-5.98%	-4.32%
2013	23.43%	21.02%
2012	18.74%	16.41%
2011	-15.11%	-12.21%
2010	13.91%	8.95%
2009	39.29%	33.67%
2008	-44.01%	-43.56%
2007	8.49%	12.44%

Performance for the portfolio is reported net of all advisory fees and includes reinvestment of dividends and other earnings. Performance less than one year is not annualized. Performance data shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance shown. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end, visit [us.dimensional.com](http://us.dimensional.com). An index is not available for direct investment.

\* "Dimensional" refers to the Dimensional separate but affiliated entities generally, rather than to one particular entity. These entities are Dimensional Fund Advisors LP, Dimensional Fund Advisors Ltd., DFA Australia Limited, Dimensional Fund Advisors Canada ULC, Dimensional Fund Advisors Pte. Ltd., and Dimensional Japan Ltd.

## GICS SECTOR ALLOCATION

Financials	20.14%
Industrials	17.92%
Consumer Discretionary	15.83%
Materials	13.00%
Consumer Staples	7.72%
Energy	7.67%
Information Technology	6.44%
Health Care	5.64%
Utilities	2.89%
Telecommunication Services	2.76%
REITs	---

## TOP HOLDINGS

Royal Dutch Shell PLC	1.04%
Nestle SA	0.99%
TOTAL SA	0.74%
BP PLC	0.74%
Toyota Motor Corp	0.74%
Daimler AG	0.52%
Novartis AG	0.47%
HSBC Holdings PLC	0.45%
BASF SE	0.41%
Royal Bank of Canada	0.39%

## TOP COUNTRIES

Japan	24.25%
United Kingdom	15.88%
Canada	9.21%
Germany	7.58%
France	7.31%

## FUND COSTS

Management Fee	0.35%
Total Operating Expense Ratio	0.38%
Net Expense Ratio (to investor)	0.38%

Under certain circumstances, the Advisor has contractually agreed to waive certain fees and/or assume certain expenses of the Portfolio. The Advisor may amend or discontinue the waivers at any time, one year from the date of the prospectus. The net expense ratio reflects the total annual fund operating expenses of the Portfolio after taking into account any such fee waiver and/or expense reimbursement arrangements. Please read the Portfolio's prospectus for details and more information.

Dimensional Fund Advisors LP is an investment advisor registered with the Securities and Exchange Commission. Consider the investment objectives, risks, and charges and expenses of the Dimensional funds carefully before investing. For this and other information about the Dimensional funds, please read the prospectus carefully before investing. Prospectuses are available by calling Dimensional Fund Advisors collect at (512) 306-7400 or at [us.dimensional.com](http://us.dimensional.com). Dimensional funds are distributed by DFA Securities LLC. Holdings are subject to change. Numbers may not total 100% due to rounding.

<sup>1</sup> The MSCI World ex USA Index measures the performance of securities from developed markets excluding the US. It is not an investment product available for purchase. MSCI data copyright MSCI 2017, all rights reserved.



## EMERGING MARKETS CORE EQUITY PORTFOLIO (I)

AS OF DECEMBER 31, 2016

### ABOUT DIMENSIONAL\*

Dimensional is a leading global investment firm that has been translating academic research into practical investment solutions since 1981. Guided by a strong belief in markets, Dimensional offers strategies that focus on the drivers of expected returns. The firm applies a dynamic implementation process that integrates advanced research, methodical portfolio design, and careful execution, while balancing risks, costs, and other tradeoffs that may impact performance. This approach is applied across a full suite of investment strategies to help meet the needs of investors worldwide.

### OVERVIEW

Benchmark	MSCI Emerging Markets Index (net div.)
Inception Date	Apr. 05, 2005
Ticker	DFCEX
Fund Assets Under Management	\$17.9 Billion

### INVESTMENT OBJECTIVE

The investment objective of the Emerging Markets Core Equity Portfolio is to achieve long-term capital appreciation.

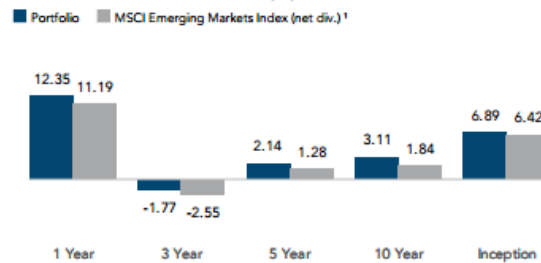
### PRINCIPAL RISKS

Risks include loss of principal and fluctuating value. Value investing is subject to risk which may cause underperformance compared to other equity investment strategies. Small cap securities are subject to greater volatility than those in other asset categories. International investing involves special risks such as currency fluctuation and political instability. Investing in emerging markets may accentuate these risks. Sector-specific investments can also increase investment risks. For more detail regarding the risks affecting this Portfolio, please see the Principal Risks section of the prospectus.

### CHARACTERISTICS

Number of Holdings	4,489
% in Top 10 Holdings	12.58
Wtd. Avg. Mkt. Cap. (Millions)	\$31,351
Price-to-Book	1.41
Annual Turnover (Oct. 31, 2015)	5%

### ANNUALIZED PERFORMANCE (%)



### CALENDAR YEAR RETURNS (%)

	PORTFOLIO	BENCHMARK
2015	-14.86%	-14.92%
2014	-0.91%	-2.19%
2013	-2.64%	-2.60%
2012	20.49%	18.22%
2011	-20.65%	-18.42%
2010	23.62%	18.88%
2009	83.58%	78.51%
2008	-50.66%	-53.33%
2007	37.49%	39.42%

Performance for the portfolio is reported net of all advisory fees and includes reinvestment of dividends and other earnings. Performance less than one year is not annualized. Performance data shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance shown. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end, visit [us.dimensional.com](http://us.dimensional.com). An index is not available for direct investment.

\* "Dimensional" refers to the Dimensional separate but affiliated entities generally, rather than to one particular entity. These entities are Dimensional Fund Advisors LP, Dimensional Fund Advisors Ltd., DFA Australia Limited, Dimensional Fund Advisors Canada ULC, Dimensional Fund Advisors Pte. Ltd., and Dimensional Japan Ltd.

## GICS SECTOR ALLOCATION

Financials	23.16%
Information Technology	19.43%
Consumer Discretionary	11.48%
Materials	10.57%
Industrials	9.42%
Consumer Staples	8.19%
Energy	6.10%
Telecommunication Services	4.26%
Utilities	3.79%
Health Care	3.59%
REITs	---

## TOP HOLDINGS

Samsung Electronics Co Ltd	3.22%
Taiwan Semiconductor	2.29%
Tencent Holdings Ltd	1.43%
Itau Unibanco Holding SA	1.06%
China Construction Bank Corp	1.02%
Petroleo Brasileiro SA	0.82%
Hon Hai Precision Industry Co Ltd	0.82%
China Mobile Ltd	0.77%
Industrial & Commercial Bank of	0.58%
Banco Bradesco SA	0.58%

## TOP COUNTRIES

China	15.85%
Taiwan	15.09%
Korea	14.99%
India	12.64%
Brazil	9.50%

## FUND COSTS

Management Fee	0.55%
Total Operating Expense Ratio	0.62%
Net Expense Ratio (to investor)	0.62%

Under certain circumstances, the Advisor has contractually agreed to waive certain fees and/or assume certain expenses of the Portfolio. The Advisor may amend or discontinue the waivers at any time, one year from the date of the prospectus. The net expense ratio reflects the total annual fund operating expenses of the Portfolio after taking into account any such fee waiver and/or expense reimbursement arrangements. Please read the Portfolio's prospectus for details and more information.

Dimensional Fund Advisors LP is an investment advisor registered with the Securities and Exchange Commission. Consider the investment objectives, risks, and charges and expenses of the Dimensional funds carefully before investing. For this and other information about the Dimensional funds, please read the prospectus carefully before investing. Prospectuses are available by calling Dimensional Fund Advisors collect at (512) 306-7400 or at [us.dimensional.com](http://us.dimensional.com). Dimensional funds are distributed by DFA Securities LLC. Holdings are subject to change. Numbers may not total 100% due to rounding.

<sup>1</sup> The MSCI Emerging Markets Index measures the performance of securities from developing countries. It is not an investment product available for purchase. MSCI data copyright MSCI 2017, all rights reserved.



## GLOBAL REAL ESTATE SECURITIES PORTFOLIO

AS OF DECEMBER 31, 2016

### ABOUT DIMENSIONAL\*

Dimensional is a leading global investment firm that has been translating academic research into practical investment solutions since 1981. Guided by a strong belief in markets, Dimensional offers strategies that focus on the drivers of expected returns. The firm applies a dynamic implementation process that integrates advanced research, methodical portfolio design, and careful execution, while balancing risks, costs, and other tradeoffs that may impact performance. This approach is applied across a full suite of investment strategies to help meet the needs of investors worldwide.

### OVERVIEW

Benchmark	S&P Global REIT Index (net div.)
Inception Date	Jun. 04, 2008
Ticker	DFGEX
Fund Assets Under Management	\$5.0 Billion

### INVESTMENT OBJECTIVE

The investment objective of the DFA Global Real Estate Securities Portfolio is to achieve long-term capital appreciation.

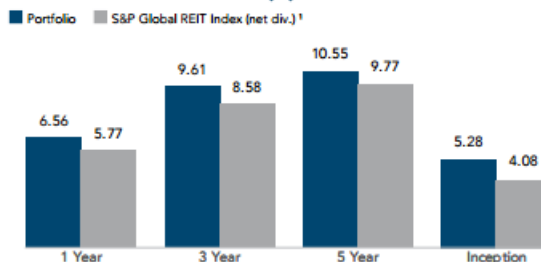
### PRINCIPAL RISKS

Risks include loss of principal and fluctuating value. Small cap securities are subject to greater volatility than those in other asset categories. International investing involves special risks such as currency fluctuation and political instability. Investing in emerging markets may accentuate these risks. Sector-specific investments can also increase investment risks. Real estate investment risks include 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. For more detail regarding the risks affecting this Portfolio, please see the Principal Risks section of the prospectus.

### CHARACTERISTICS

Number of Holdings	417
% in Top 10 Holdings	24.19
Wtd. Avg. Mkt. Cap. (Millions)	\$13,163
Price-to-Book	1.78
Annual Turnover (Oct. 31, 2015)	1%

### ANNUALIZED PERFORMANCE (%)



### CALENDAR YEAR RETURNS (%)

	PORTFOLIO	BENCHMARK
2015	0.69%	-0.44%
2014	22.74%	21.54%
2013	1.77%	1.73%
2012	23.17%	22.38%
2011	1.81%	0.61%
2010	23.79%	22.09%
2009	32.67%	31.72%

Performance for the portfolio is reported net of all advisory fees and includes reinvestment of dividends and other earnings. Performance less than one year is not annualized. Performance data shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance shown. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end, visit [us.dimensional.com](http://us.dimensional.com). An index is not available for direct investment.

\* "Dimensional" refers to the Dimensional separate but affiliated entities generally, rather than to one particular entity. These entities are Dimensional Fund Advisors LP, Dimensional Fund Advisors Ltd., DFA Australia Limited, Dimensional Fund Advisors Canada ULC, Dimensional Fund Advisors Pte. Ltd., and Dimensional Japan Ltd.

## TOP HOLDINGS

Simon Property Group Inc	4.82%
Public Storage	2.91%
Prologis Inc	2.41%
Equinix Inc	2.20%
Welltower Inc	2.10%
AvalonBay Communities Inc	2.09%
Unibail-Rodamco SE	2.03%
Equity Residential	2.03%
Ventas Inc	1.90%
Boston Properties Inc	1.69%

## TOP COUNTRIES

United States	67.01%
Japan	7.54%
Australia	6.82%
United Kingdom	4.21%
Netherlands	2.47%

## FUND COSTS

Management Fee	0.20%
Total Operating Expense Ratio	0.38%
Net Expense Ratio (to investor)	0.24%

Under certain circumstances, the Advisor has contractually agreed to waive certain fees and/or assume certain expenses of the Portfolio. The Advisor may amend or discontinue the waivers at any time, one year from the date of the prospectus. The net expense ratio reflects the total annual fund operating expenses of the Portfolio after taking into account any such fee waiver and/or expense reimbursement arrangements. Please read the Portfolio's prospectus for details and more information.

Dimensional Fund Advisors LP is an investment advisor registered with the Securities and Exchange Commission. Consider the investment objectives, risks, and charges and expenses of the Dimensional funds carefully before investing. For this and other information about the Dimensional funds, please read the prospectus carefully before investing. Prospectuses are available by calling Dimensional Fund Advisors collect at (512) 306-7400 or at [us.dimensional.com](http://us.dimensional.com). Dimensional funds are distributed by DFA Securities LLC. Holdings are subject to change. Numbers may not total 100% due to rounding.

<sup>1</sup> The S&P Global REIT Index measures the performance of the global real estate market. It is not an investment product available for purchase. The S&P data are provided by Standard & Poor's Index Services Group.



## FIVE-YEAR GLOBAL FIXED INCOME PORTFOLIO (I)

AS OF DECEMBER 31, 2016

### ABOUT DIMENSIONAL\*

Dimensional is a leading global investment firm that has been translating academic research into practical investment solutions since 1981. Guided by a strong belief in markets, Dimensional offers strategies that focus on the drivers of expected returns. The firm applies a dynamic implementation process that integrates advanced research, methodical portfolio design, and careful execution, while balancing risks, costs, and other tradeoffs that may impact performance. This approach is applied across a full suite of investment strategies to help meet the needs of investors worldwide.

### OVERVIEW

Benchmark	Citi World Government Bond Index 1-5 Years (hedged to USD)
Inception Date	Nov. 06, 1990
Ticker	DFGBX
Fund Assets Under Management	\$12.4 Billion

### INVESTMENT OBJECTIVE

The investment objective of the DFA Five-Year Global Fixed Income Portfolio is to provide a market rate of return for a fixed income portfolio with low relative volatility of returns. The Five-Year Global Portfolio seeks to focus the eligible universe on securities with relatively less expected upward or downward movement in market value.

### PRINCIPAL RISKS

Risks include loss of principal and fluctuating value. Fixed income securities are subject to increased loss of principal during periods of rising interest rates and may be subject to various other risks including changes in credit quality, liquidity, prepayments, and other factors. International investing involves special risks such as currency fluctuation and political instability. Investing in emerging markets may accentuate these risks. Sector-specific investments can increase these risks. For more detail regarding the risks affecting this Portfolio, please see the Principal Risks section of the prospectus.

### CHARACTERISTICS

Number of Holdings	169
Average Maturity (Years)	3.50
Yield to Maturity	2.16%
30 Day SEC Yield	1.91%
Average Duration (Years)	3.34

### ANNUALIZED PERFORMANCE (%)



First Full Month refers to performance since December 1990.

### CALENDAR YEAR RETURNS (%)

	PORTFOLIO	BENCHMARK
2015	1.45%	1.00%
2014	2.87%	1.90%
2013	-0.41%	0.62%
2012	4.80%	2.10%
2011	4.51%	2.31%
2010	5.30%	1.99%
2009	4.19%	2.29%
2008	4.02%	6.59%
2007	5.22%	6.30%

Performance for the portfolio is reported net of all advisory fees and includes reinvestment of dividends and other earnings. Performance less than one year is not annualized. Performance data shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance shown. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end, visit [us.dimensional.com](http://us.dimensional.com). An index is not available for direct investment.

\* "Dimensional" refers to the Dimensional separate but affiliated entities generally, rather than to one particular entity. These entities are Dimensional Fund Advisors LP, Dimensional Fund Advisors Ltd., DFA Australia Limited, Dimensional Fund Advisors Canada ULC, Dimensional Fund Advisors Pte. Ltd., and Dimensional Japan Ltd.

---

### MATURITY ALLOCATION

3 - 6 Months	---
1 - 3 Years	17.81%
3 - 5 Years	82.19%

---

### TOP COUNTRIES

United States	33.27%
Canada	16.08%
Australia	8.77%
Supranational	8.63%
Netherlands	8.20%

---

### FUND COSTS

Management Fee	0.25%
Total Operating Expense Ratio	0.27%
Net Expense Ratio (to investor)	0.27%

Under certain circumstances, the Advisor has contractually agreed to waive certain fees and/or assume certain expenses of the Portfolio. The Advisor may amend or discontinue the waivers at any time, one year from the date of the prospectus. The net expense ratio reflects the total annual fund operating expenses of the Portfolio after taking into account any such fee waiver and/or expense reimbursement arrangements. Please read the Portfolio's prospectus for details and more information.

Dimensional Fund Advisors LP is an investment advisor registered with the Securities and Exchange Commission. Consider the investment objectives, risks, and charges and expenses of the Dimensional funds carefully before investing. For this and other information about the Dimensional funds, please read the prospectus carefully before investing. Prospectuses are available by calling Dimensional Fund Advisors collect at (512) 306-7400 or at [us.dimensional.com](http://us.dimensional.com). Dimensional funds are distributed by DFA Securities LLC. Holdings are subject to change. Numbers may not total 100% due to rounding.

<sup>1</sup> The Citi World Government Bond Index 1-5 Years (hedged) measures the performance of the global government bond market. It is not an investment product available for purchase. Citi Fixed Income Indices Copyright 2017 by Citigroup.

Fact Sheet | December 31, 2016



## Vanguard Target Retirement 2020 Fund

Balanced fund (stocks and bonds)

Risk level Low ← → High		Total net assets	Expense ratio as of 01/28/16	Ticker symbol	Inception date	Fund number			
1	2	3	4	5	\$27,772 MM	0.14%*	VTWNX	06/07/06	0682

### Investment objective

Vanguard Target Retirement 2020 Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

### Investment strategy

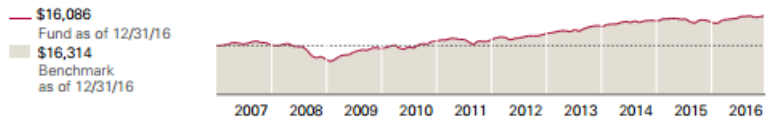
The fund invests in Vanguard mutual funds using an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2020 (the target year). The fund's asset allocation will become more conservative over time. Within seven years after 2020, the fund's asset allocation should resemble that of the Target Retirement Income Fund. The underlying funds are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Total International Bond Index Fund, Vanguard Total International Stock Index Fund, and Vanguard Short-Term Inflation-Protected Securities Index Fund.

The fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; inflation-protected public obligations issued by the U.S. Treasury; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize currency exposures). The fund's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks.

### Benchmark

Target Retirement 2020 Composite Ix

Growth of a \$10,000 investment : January 31, 2007—December 31, 2016



### Annual returns

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Fund	7.52	-27.04	23.10	13.12	0.60	12.35	15.85	7.11	-0.68	6.95
Benchmark	7.59	-27.41	23.28	13.27	0.99	12.47	16.21	7.37	-0.40	7.17

### Total returns

	Quarter	Year to Date	One Year	Three Years	Five Years	Ten Years
Fund	-0.18%	6.95%	6.95%	4.39%	8.17%	4.99%
Benchmark	-0.01%	7.17%	7.17%	4.65%	8.42%	5.13%

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](http://vanguard.com/performance).

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

\*The acquired fund fees and expenses of the underlying funds.

Target Retirement 2020 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter; for international bonds, the Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index beginning June 3, 2013; and for U.S. stocks, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

F0682R 122016

Fact Sheet | December 31, 2016



## Vanguard Target Retirement 2025 Fund

Balanced fund (stocks and bonds)

Risk level Low ← → High					Total net assets	Expense ratio as of 01/28/16	Ticker symbol	Inception date	Fund number
1	2	3	4	5					
					\$32,159 MM	0.15%*	VTTVX	10/27/03	0304

### Investment objective

Vanguard Target Retirement 2025 Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

### Investment strategy

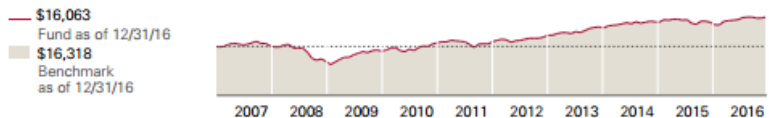
The fund invests in Vanguard mutual funds using an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2025 (the target year). The fund's asset allocation will become more conservative over time. Within seven years after 2025, the fund's asset allocation should resemble that of the Target Retirement Income Fund. The underlying funds are: Vanguard Total Bond Market II Index Fund, Vanguard Total Stock Market Index Fund, Vanguard Total International Bond Index Fund, and Vanguard Total International Stock Index Fund.

The fund's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks. The fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize currency exposures).

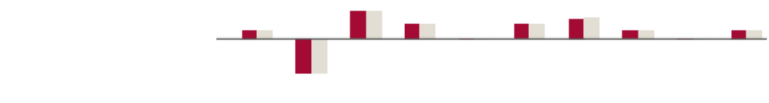
### Benchmark

Target Retirement 2025 Composite Ix

Growth of a \$10,000 investment : January 31, 2007 —December 31, 2016



### Annual returns



Year	Fund	Benchmark
2007	7.59	7.62
2008	-30.05	-30.39
2009	24.81	25.15
2010	13.84	13.94
2011	-0.37	0.07
2012	13.29	13.39
2013	18.14	18.52
2014	7.17	7.45
2015	-0.85	-0.58
2016	7.48	7.67

### Total returns

	Periods Ended December 31, 2016					
	Quarter	Year to Date	One Year	Three Years	Five Years	Ten Years
Fund	0.11%	7.48%	7.48%	4.53%	8.86%	5.00%
Benchmark	0.32%	7.67%	7.67%	4.77%	9.10%	5.15%

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](http://vanguard.com/performance).

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

\*The acquired fund fees and expenses of the underlying funds.

Target Retirement 2025 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter; for international bonds, the Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index beginning June 3, 2013; and for U.S. stocks, the Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

F0304R 122016

Fact Sheet | December 31, 2016



## Vanguard Target Retirement 2030 Fund

Balanced fund (stocks and bonds)

Risk level					Total net assets	Expense ratio as of 01/28/16	Ticker symbol	Inception date	Fund number
Low	← →			High					
1	2	3	4	5	\$25,676 MM	0.15%*	VTHRX	06/07/06	0695

### Investment objective

Vanguard Target Retirement 2030 Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

### Investment strategy

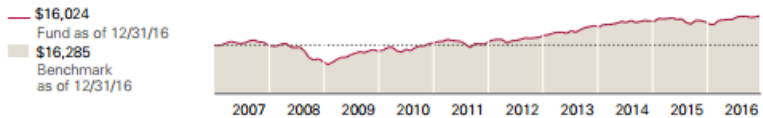
The fund invests in Vanguard mutual funds using an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2030 (the target year). The fund's asset allocation will become more conservative over time. Within seven years after 2030, the fund's asset allocation should resemble that of the Target Retirement Income Fund. The underlying funds are: Vanguard Total Bond Market II Index Fund, Vanguard Total Stock Market Index Fund, and Vanguard Total International Stock Index Fund.

The fund's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks. The fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize currency exposures).

### Benchmark

Target Retirement 2030 Composite Ix

Growth of a \$10,000 investment : January 31, 2007 – December 31, 2016



### Annual returns

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Fund	7.49	-32.91	26.72	14.43	-1.27	14.24	20.49	7.17	-1.03	7.85
Benchmark	7.64	-33.27	27.02	14.58	-0.89	14.31	20.88	7.51	-0.79	8.11

### Total returns

	Periods Ended December 31, 2016					
	Quarter	Year to Date	One Year	Three Years	Five Years	Ten Years
Fund	0.42%	7.85%	7.85%	4.58%	9.50%	4.98%
Benchmark	0.67%	8.11%	8.11%	4.87%	9.77%	5.14%

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](http://vanguard.com/performance).

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

\*The acquired fund fees and expenses of the underlying funds.

Target Retirement 2030 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter; for international bonds, the Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index beginning June 3, 2013; and for U.S. stocks, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

F0695R 122016

Fact Sheet | December 31, 2016



## Vanguard Target Retirement 2035 Fund

Balanced fund (stocks and bonds)

Risk level Low ← → High					Total net assets	Expense ratio as of 01/28/16	Ticker symbol	Inception date	Fund number
1	2	3	4	5	\$25,029 MM	0.15%*	VTTHX	10/27/03	0305

### Investment objective

Vanguard Target Retirement 2035 Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

### Investment strategy

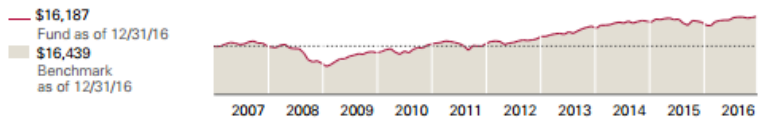
The fund invests in Vanguard mutual funds using an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2035 (the target year). The fund's asset allocation will become more conservative over time. Within seven years after 2035, the fund's asset allocation should resemble that of the Target Retirement Income Fund. The underlying funds are: Vanguard Total Bond Market II Index Fund, Vanguard Total Stock Market Index Fund, Vanguard Total International Bond Index Fund, and Vanguard Total International Stock Index Fund.

The fund's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks. The fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize currency exposures).

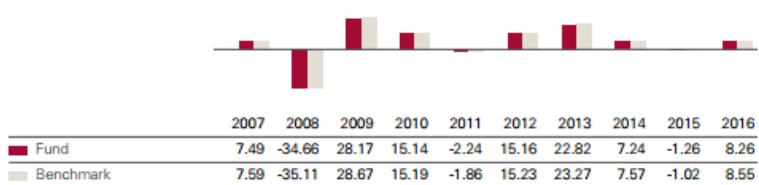
### Benchmark

Target Retirement 2035 Composite Ix

Growth of a \$10,000 investment: January 31, 2007 – December 31, 2016



### Annual returns



### Total returns

	Periods Ended December 31, 2016					
	Quarter	Year to Date	One Year	Three Years	Five Years	Ten Years
Fund	0.78%	8.26%	8.26%	4.66%	10.15%	5.09%
Benchmark	1.02%	8.55%	8.55%	4.95%	10.42%	5.24%

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](http://vanguard.com/performance).

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

\*The acquired fund fees and expenses of the underlying funds.

Target Retirement 2035 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter; for international bonds, the Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index beginning June 3, 2013; and for U.S. stocks, the Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

F0305R 122016

Fact Sheet | December 31, 2016



## Vanguard Target Retirement 2040 Fund

Balanced fund (stocks and bonds)

Risk level Low ← → High					Total net assets	Expense ratio as of 01/28/16	Ticker symbol	Inception date	Fund number
1	2	3	4	5					
					\$17,955 MM	0.16%*	VFORX	06/07/06	0696

### Investment objective

Vanguard Target Retirement 2040 Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

### Investment strategy

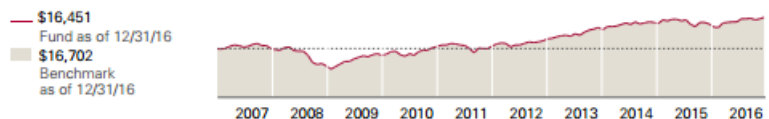
The fund invests in Vanguard mutual funds using an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2040 (the target year). The fund's asset allocation will become more conservative over time. Within seven years after 2040, the fund's asset allocation should resemble that of the Target Retirement Income Fund. The underlying funds are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Total International Bond Index Fund, and Vanguard Total International Stock Index Fund.

The fund's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks. The fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize currency exposures).

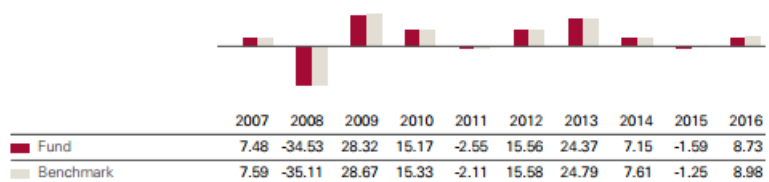
### Benchmark

Target Retirement 2040 Composite Ix

Growth of a \$10,000 investment : January 31, 2007—December 31, 2016



### Annual returns



### Total returns

	Periods Ended December 31, 2016					
	Quarter	Year to Date	One Year	Three Years	Five Years	Ten Years
Fund	1.13%	8.73%	8.73%	4.66%	10.51%	5.26%
Benchmark	1.38%	8.98%	8.98%	5.01%	10.80%	5.41%

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](http://vanguard.com/performance).

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

\*The acquired fund fees and expenses of the underlying funds.

Target Retirement 2040 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter; for international bonds, the Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index beginning June 3, 2013; and for U.S. stocks, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

F0696R 122016

Fact Sheet | December 31, 2016



## Vanguard Target Retirement 2045 Fund

Balanced fund (stocks and bonds)

Risk level Low ← → High		Total net assets	Expense ratio as of 01/28/16	Ticker symbol	Inception date	Fund number
1	2 3 4 5	\$16,483 MM	0.16%*	VTIVX	10/27/03	0306

### Investment objective

Vanguard Target Retirement 2045 Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

### Investment strategy

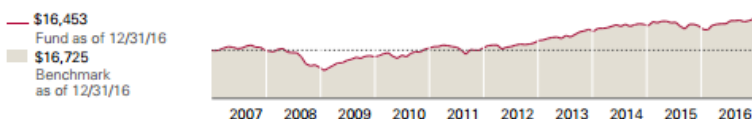
The fund invests in Vanguard mutual funds using an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2045 (the target year). The fund's asset allocation will become more conservative over time. Within seven years after 2045, the fund's asset allocation should resemble that of the Target Retirement Income Fund. The underlying funds are: Vanguard Total Bond Market II Index Fund, Vanguard Total Stock Market Index Fund, Vanguard Total International Bond Index Fund, and Vanguard Total International Stock Index Fund.

The fund's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks. The fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize currency exposures).

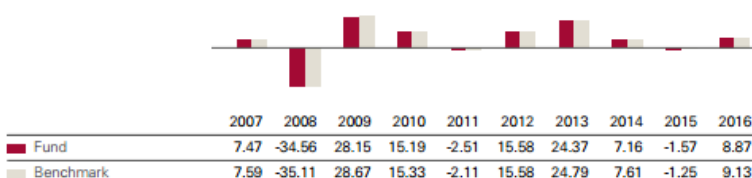
### Benchmark

Target Retirement 2045 Composite Ix

Growth of a \$10,000 investment : January 31, 2007 – December 31, 2016



### Annual returns



### Total returns

	Periods Ended December 31, 2016					
	Quarter	Year to Date	One Year	Three Years	Five Years	Ten Years
Fund	1.24%	8.87%	8.87%	4.72%	10.54%	5.27%
Benchmark	1.48%	9.13%	9.13%	5.06%	10.83%	5.43%

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](http://vanguard.com/performance).

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

\*The acquired fund fees and expenses of the underlying funds.

Target Retirement 2045 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter; for international bonds, the Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index beginning June 3, 2013; and for U.S. stocks, the Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

F0306R 122016

Fact Sheet | December 31, 2016



## Vanguard Target Retirement 2050 Fund

Balanced fund (stocks and bonds)

Risk level <span style="display: inline-block; width: 100px; border-bottom: 1px solid black; position: relative; top: -5px;"> <span style="position: absolute; left: -10px; top: -5px;">Low</span> <span style="position: absolute; right: -10px; top: -5px;">High</span> </span>					Total net assets	Expense ratio as of 01/28/16	Ticker symbol	Inception date	Fund number
1   2   3   4   5					\$10,165 MM	0.16%*	VFIFX	06/07/06	0699

### Investment objective

Vanguard Target Retirement 2050 Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

### Investment strategy

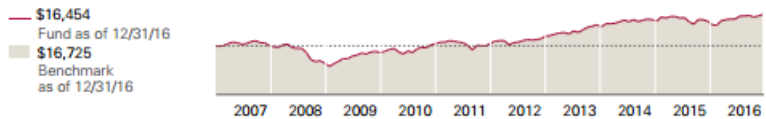
The fund invests in Vanguard mutual funds using an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2050 (the target year). The fund's asset allocation will become more conservative over time. Within seven years after 2050, the fund's asset allocation should resemble that of the Target Retirement Income Fund. The underlying funds are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Total International Bond Index Fund, and Vanguard Total International Stock Index Fund.

The fund's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks. The fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize currency exposures).

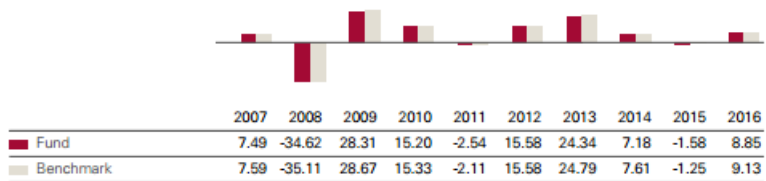
### Benchmark

Target Retirement 2050 Composite Ix

Growth of a \$10,000 investment : January 31, 2007—December 31, 2016



### Annual returns



### Total returns

	Periods Ended December 31, 2016					
	Quarter	Year to Date	One Year	Three Years	Five Years	Ten Years
Fund	1.25%	8.85%	8.85%	4.72%	10.54%	5.27%
Benchmark	1.48%	9.13%	9.13%	5.06%	10.83%	5.43%

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](http://vanguard.com/performance).

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

\*The acquired fund fees and expenses of the underlying funds.

Target Retirement 2050 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter; for international bonds, the Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index beginning June 3, 2013; and for U.S. stocks, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

F0699R 122016

Fact Sheet | December 31, 2016



## Vanguard Target Retirement 2055 Fund

Balanced fund (stocks and bonds)

Risk level Low ← → High					Total net assets	Expense ratio as of 01/28/16	Ticker symbol	Inception date	Fund number
1	2	3	4	5	\$3,752 MM	0.16%*	VFFVX	08/18/10	1487

### Investment objective

Vanguard Target Retirement 2055 Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

### Investment strategy

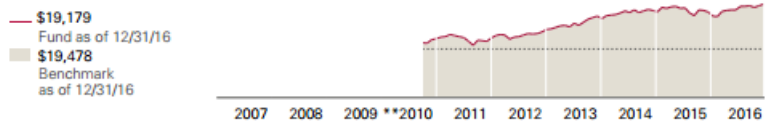
The fund invests in Vanguard mutual funds using an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2055 (the target year). The fund's asset allocation will become more conservative over time. Within seven years after 2055, the fund's asset allocation should resemble that of the Target Retirement Income Fund. The underlying funds are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Total International Bond Index Fund, and Vanguard Total International Stock Index Fund.

The fund's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks. The fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize currency exposures).

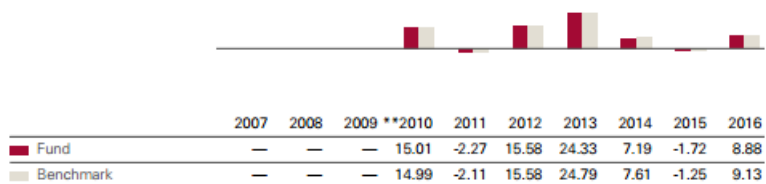
### Benchmark

Target Retirement 2055 Composite Ix

### Growth of a \$10,000 investment : August 31, 2010—December 31, 2016



### Annual returns



Year	Fund	Benchmark
2007	—	—
2008	—	—
2009	—	—
2010	15.01	14.99
2011	-2.27	-2.11
2012	15.58	15.58
2013	24.33	24.79
2014	7.19	7.61
2015	-1.72	-1.25
2016	8.88	9.13

### Total returns

	Periods Ended December 31, 2016					
	Quarter	Year to Date	One Year	Three Years	Five Years	Since Inception
Fund	1.26%	8.88%	8.88%	4.68%	10.51%	10.16%
Benchmark	1.48%	9.13%	9.13%	5.06%	10.83%	—

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](http://vanguard.com/performance).

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

\*The acquired fund fees and expenses of the underlying funds.

\*\*Partial return since fund started, August 18, 2010.

Target Retirement 2055 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg Barclays U.S. Aggregate Float Adjusted Index; for international bonds, the Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index beginning June 3, 2013; and for U.S. stocks, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

F1487R 122016

Fact Sheet | December 31, 2016



## Vanguard Target Retirement 2060 Fund

Balanced fund (stocks and bonds)

Risk level Low ← → High					Total net assets	Expense ratio as of 01/28/16	Ticker symbol	Inception date	Fund number
1	2	3	4	5	\$1,272 MM	0.16%*	VTTSX	01/19/12	1691

### Investment objective

Vanguard Target Retirement 2060 Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

### Investment strategy

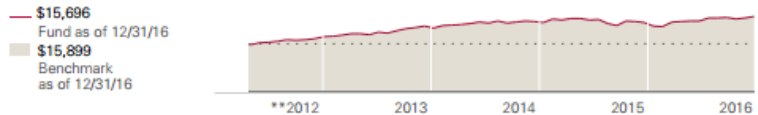
The fund invests in Vanguard mutual funds using an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2060 (the target year). The fund's asset allocation will become more conservative over time. Within seven years after 2060, the fund's asset allocation should resemble that of the Target Retirement Income Fund. The underlying funds are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Total International Bond Index Fund, and Vanguard Total International Stock Index Fund.

The fund's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks. The fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize currency exposures).

### Benchmark

Target Retirement 2060 Composite Ix

### Growth of a \$10,000 investment : January 31, 2012—December 31, 2016



### Annual returns

	**2012	2013	2014	2015	2016
Fund	10.68	24.35	7.16	-1.68	8.84
Benchmark	10.63	24.79	7.61	-1.25	9.13

### Total returns

	Periods Ended December 31, 2016				
	Quarter	Year to Date	One Year	Three Years	Since Inception
Fund	1.25%	8.84%	8.84%	4.67%	9.66%
Benchmark	1.48%	9.13%	9.13%	5.06%	—

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](http://vanguard.com/performance).

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

\*The acquired fund fees and expenses of the underlying funds.

\*\*Partial return since fund started, January 19, 2012.

Target Retirement 2060 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg Barclays U.S. Aggregate Float Adjusted Index; for international bonds, the Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index beginning June 3, 2013; and for U.S. stocks, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

F1691 122016

[Connect with Vanguard®](#) > [vanguard.com](#)

**Plain talk about risk**

The fund is subject to the risks of its underlying funds. As the underlying funds invest in stocks and bonds the fund is subject to several stock and bond market risks, any of which could cause an investor to lose money. However, based on the fund's current allocation between stocks and the less volatile asset class of bonds, the fund's overall level of risk should be higher than those funds that invest the majority of their assets in bonds, but lower than those investing entirely in stocks. As the fund's allocation among underlying funds gradually changes, the fund's overall level of risk also will decline. In addition to the risks inherent in the asset classes of the underlying funds, the fund also is subject to *asset allocation risk*, which is the chance that the selection of underlying funds and the allocation of fund assets will cause the fund to underperform other funds with a similar investment objective. Investments in Target Retirement Funds are subject to the risks of their underlying funds. The year in the fund name refers to the approximate year 2055 when an investor in the fund would retire and leave the work force. The fund will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date. An investment in the Target Retirement 2055 Fund is not guaranteed at any time, including on or after the target date. For further details on all risks, please refer to the fund's prospectus.

**For more information about Vanguard funds or to obtain a prospectus, see below for which situation is right for you.**

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](#) or call **800-523-1188**.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a record keeper'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.

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

© 2017 The Vanguard Group, Inc. All rights reserved. Vanguard Marketing Corporation, Distributor.

F1487R 122016