



# Vanguard U.S. Government Bond Index Fund

## An index-related fund

Key fund facts					
	Inception date	Minimum initial investment	ISIN	SEDOL	Bloomberg
<b>USD</b>					
Investor	06.03.2002	100,000	IE0007471695	0747169	VGUGBVD
Institutional	31.01.2002	5,000,000	IE0007471927	0747192	VGUGBSD
Institutional Plus	06.12.2013	200,000,000	IE00BFFPM9Z33	BFFPM9Z3	VGUGBUP
<b>EUR</b>					
Institutional Hedged	31.03.2016	5,000,000	IE0007471471	0747147	VGUGBSE
<b>GBP</b>					
Accumulation Hedged	31.01.2014	100,000	IE00BFRFTDB69	BFRFTDB6	VGUGGHA
<b>Benchmark</b>		<b>Index ticker</b>		<b>Trading frequency (cut-off)</b>	
Bloomberg Barclays U.S. Government Float Adjusted Bond Index		BGA4TRUU		Daily (14:00 Irish Time)	
<b>Domicile</b>		<b>Investment structure</b>		<b>Settlement**</b>	
Ireland		UCITS		T+2	
<b>Base currency</b>		<b>Total assets</b>			
USD		USD (million) 1,422			
<b>Investment manager</b>					
The Vanguard Group, Inc. U.S. Bond Index Team					

### Objective

The Fund seeks to provide returns consistent with the performance of the index, a market-weighted index of the United States government market with an intermediate-term average-weighted maturity.

### Investment strategy

The Fund employs a passive management or indexing strategy designed to track the performance of the index. This market-weighted index is designed to reflect the total universe of US dollar denominated US Treasury and US government-related securities with maturities greater than one year.

### Performance summary\*

USD—Vanguard U.S. Government Bond Index Fund

	Investor shares	Institutional shares	Institutional Plus shares
	Net of expenses	Net of expenses	Net of expenses
2012	1.74%	1.83%	—%
2013	-2.94	-2.85	—
2014	4.78	4.83	4.94
2015	0.60	0.65	0.75
2016	0.77	0.82	0.92

### Ongoing charges\*\*

	Ongoing Charges	Preset dilution levy on subscriptions	Preset dilution levy on redemptions
Investor	0.25%	—	—
Accumulation Hedged	0.25%	—	—
Institutional	0.20%	—	—
Institutional Hedged	0.20%	—	—
Institutional Plus	0.10%	—	—

### Performance\*

USD—Vanguard U.S. Government Bond Index Fund

Benchmark—Bloomberg Barclays U.S. Government Float Adjusted Bond Index

	Investor shares			Institutional shares			Institutional Plus shares		
	Net of expenses	Gross of expenses	Benchmark	Net of expenses	Gross of expenses	Benchmark	Net of expenses	Gross of expenses	Benchmark
1 month	1.02%	1.04%	1.06%	1.02%	1.04%	1.06%	1.03%	1.04%	1.06%
3 months	1.07	1.13	1.08	1.08	1.13	1.08	1.10	1.13	1.08
Year to date	3.02	3.19	3.12	3.05	3.19	3.12	3.12	3.19	3.12
1 year	-1.06	-0.81	-0.86	-1.01	-0.81	-0.86	-0.91	-0.81	-0.86
3 years	1.87	2.13	2.12	1.92	2.13	2.12	2.03	2.13	2.12
5 years	1.11	1.37	1.37	1.17	1.37	1.37	—	—	1.37
10 years	3.60	3.89	3.78	3.68	3.89	3.78	—	—	—
Since inception	3.95	4.25	4.15	4.02	4.23	4.13	2.44	2.54	2.55

**Key investment risks - Past performance is not a reliable indicator of future results.** The value of investments, and the income from them, may fall or rise and investors may get back less than they invested. Funds investing in fixed interest securities carry the risk of default on repayment, erosion of the capital value of your investment and the level of income may fluctuate. Where investments are made in assets that are denominated in multiple currencies changes in exchange rates may affect the value of the investments.

\*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. The performance data does not take account of the commissions and costs incurred in the issue and redemption of shares. Basis of fund performance NAV to NAV with gross income reinvested. Basis of index performance is total return.

Bloomberg Barclays U.S. Government Float Adjusted Bond Index: The benchmark for this portfolio was Bloomberg Barclays Global Aggregate U.S. Government Bond Index through 30 June 2010 and Bloomberg Barclays Global Aggregate U.S. Government Float Adjusted Bond Index thereafter.

\*\*The Ongoing Charges Figure (OCF) covers administration, audit, depository, legal, registration and regulatory expenses incurred in respect of the Funds. Note that on 2 October 2017, Vanguard will be removing existing anti-dilution levies (ADLs and PDLs) and replacing them with a dilution adjustment to the net asset value per share (the "NAV") (i.e. swing pricing).

**The Central Bank of Ireland has granted authorisation for the Vanguard U.S. Government Bond Index Fund to invest up to 100% of net assets in different Transferable Securities and Money Market Instruments issued or guaranteed by any EU Member State, its local authorities, non-EU Member States or public international bodies of which one or more EU Member States are members. As at 30 June 2017, the Vanguard U.S. Government Bond Index Fund invests more than 35% of its scheme property in transferable securities and money market instruments issued or guaranteed by the US.**

**This document is for Professional Investors only, as defined under MiFID and should not be distributed to, or relied upon by retail investors.**

# Vanguard U.S. Government Bond Index Fund

## An index-related fund

### Characteristics

	Fund	Benchmark
Number of bonds	341	542
Effective YTM	1.76%	1.77%
Average coupon	2.0%	2.1%
Average maturity	7.5 years	7.5 years
Average quality	AAA	AAA
Average duration	6.0 years	6.0 years
Cash investment	0.6%	—

### Distribution by issuer (% of fund)

	Fund
Treasury	95.0%
Government-related - agencies	4.4
Cash	0.6
Total	100.0%

### Distribution by credit quality (% of fund)

	Fund
AAA	99.5%
AA	0.1
A	0.0
BBB	0.0
Less than BBB	0.0
Not Rated	0.4
Total	100.0%

Credit-quality ratings for each issue are obtained from Barclays using ratings derived from Moody's Investors Service, Fitch Ratings, and Standard & Poor's. When ratings from all three agencies are available, the median rating is used. When ratings are available from two of the agencies, the lower rating is used. When one rating is available, that rating is used.

### Distribution by credit maturity (% of fund)

	Fund
Under 5 Years	58.5%
5 - 10 Years	25.1
Over 10 Years	16.4
Total	100.0%

<sup>††</sup>Beginning Tuesday 5th September, 2017, the majority of Vanguard mutual funds' settlement cycle will be T+2, with the exception of the Vanguard Japan Stock Index Fund which will continue to settle on T+3. For all other funds, any dealing placed with trade date Tuesday 5th September 2017 or later will be settled within 2 business days.

### For more information contact your local sales team or:

Web: <http://global.vanguard.com>  
Transfer Agent (Europe): Tel. +353 1 241 7144  
Client Services (Europe): Tel. +44 (0)203 753 4305  
E-Mail: [european\\_client\\_services@vanguard.co.uk](mailto:european_client_services@vanguard.co.uk)

Source: The Vanguard Group, Inc.

### IMPORTANT INFORMATION:

The material contained in this document is not to be regarded as an offer to buy or sell or the solicitation of any offer to buy or sell securities in any jurisdiction where such an offer or solicitation is against the law, or to anyone to whom it is unlawful to make such an offer or solicitation, or if the person making the offer or solicitation is not qualified to do so. The information in this document is general in nature and does not constitute legal, tax, or investment advice. Potential investors are urged to consult their professional advisers on the implications of making an investment in, holding or disposing of [units/shares] of, and the receipt of distribution from any investment.

The value of Investments, and the income from them, may fall or rise and investors may get back less than they invested.

Vanguard Investment Series plc has been authorised by the Central Bank of Ireland as a UCITS and has been registered for public distribution in certain EU countries. Prospective investors are referred to the Funds' prospectus for further information. Prospective investors are also urged to consult their own professional advisers on the implications of making an investment in, and holding or disposing shares of the Funds and the receipt of distributions with respect to such shares under the law of the countries in which they are liable to taxation.

The Manager of Vanguard Investment Series plc is Vanguard Group (Ireland) Limited. Vanguard Asset Management, Limited is a distributor of Vanguard Investment Series plc.

For further information on the fund's investment policy, please refer to the Key Investor Information Document ("KIID"). The KIID and the Prospectus for this fund are available in local languages from Vanguard Asset Management, Limited via our website <https://global.vanguard.com/>.

The fund(s) may invest in financial derivative instruments that could increase or reduce exposure to underlying assets and result in greater fluctuations of the fund's Net Asset Value. Some derivatives give rise to increased potential for loss where the fund's counterparty defaults in meeting its payment obligations.

The Products are not sponsored, endorsed, sold or promoted by Barclays Risk Analytics Index Solutions Limited or its affiliates ("Barclays"). Barclays does not make any representation regarding the advisability of investing in the Products or the advisability of investing in securities generally. Barclays' only relationship with Vanguard is the licensing of the Index which is determined, composed and calculated by Barclays without regard to Vanguard or the Products. Barclays has no obligation to take the needs of Vanguard or the owners of the Products into consideration in determining, composing or calculating the Index. Barclays has no obligation or liability in connection with administration, marketing or trading of the Products.

SEDOL and SEDOL Masterfile® are registered trademarks of the London Stock Exchange Group PLC.

SEDOL Data has been provided from the London Stock Exchange's SEDOL Masterfile®.