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Vanguard Institutional Intermediate-Term Bond Fund

Vanguard Institutional Short-Term Bond Fund

Supplement Dated July 31, 2026, to the Prospectus Dated January 28, 2026

Effective August 3, 2026, Vanguard Institutional Intermediate-Term Bond Fund will change its benchmark from the Bloomberg U.S. Intermediate Aggregate ex Baa Index to the Bloomberg U.S. Intermediate Aggregate Index.

Additionally, effective August 3, 2026, Vanguard Institutional Short-Term Bond Fund will change its benchmark from the Bloomberg U.S. 1-3 Years Government/Credit ex Baa Index to the Bloomberg U.S. 1-3 Years Government/Credit Index.

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Vanguard Funds

Supplement Dated June 30, 2026, to the Prospectuses and Summary Prospectuses

Effective today, one or more portfolio managers no longer serve as co-portfolio manager(s) of each Fund listed in the table below (each, an "Impacted Fund, and collectively, the "Impacted Funds").

Accordingly, all references to the removed portfolio manager(s) listed in the table below in the Impacted Funds' Prospectuses and Summary Prospectuses are hereby deleted in their entirety.

The Impacted Funds' investment objectives, strategies, and policies remain unchanged.

Prospectus and Summary Prospectus Text Changes

The following table lists each Impacted Fund and the corresponding portfolio manager(s) removed as co-portfolio manager(s):

Impacted Fund	Removed Portfolio Manager(s)
Vanguard Institutional Intermediate-Term Bond Fund	Brian Quigley Daniel Shaykevich David Van Ommeren
Vanguard Institutional Short-Term Bond Fund	Daniel Shaykevich David Van Ommeren
Vanguard Intermediate-Term Investment-Grade Fund	Daniel Shaykevich
Vanguard Long-Term Investment-Grade Fund	Daniel Shaykevich
Vanguard Short-Term Investment-Grade Fund	Daniel Shaykevich
VVIF — Short-Term Investment-Grade Portfolio	Daniel Shaykevich

In addition, with respect to Vanguard Institutional Intermediate-Term Bond Fund, the following replaces similar language under the heading "Investment Advisor" in the **More on the Funds** section:

Peter Lee, CFA, Portfolio Manager at VCM. He has worked in investment management since 2006, has been with Vanguard since 2012, and has co-managed the Fund since April 2026. Education: B.S., Villanova University; M.B.A., University of Virginia Darden School of Business.

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Vanguard Funds

Prospectus Supplement Dated May 20, 2026

Important Changes to Vanguard's Frequent Trading Policy

Each Vanguard fund (other than money market funds and short-term bond funds) limits frequent trading. The Boards of Trustees of the Vanguard Funds have approved certain changes to Vanguard's Frequent Trading Policy.

Prospectus Text Changes
Under the *Frequent Trading Limitations* section, the following paragraphs replace the "Accounts Held by Intermediaries" subsection:

Accounts Held by Intermediaries. When intermediaries establish accounts in Vanguard funds for the benefit of their clients, we cannot always monitor the trading activity of the individual clients. Vanguard requires intermediaries to apply Vanguard's Frequent Trading Policy (described above) or their own frequent trading policy (if approved by Vanguard). Omnibus accounts at financial intermediaries include multiple investors, therefore, individual trades in omnibus accounts are often not disclosed to Vanguard, making it difficult to determine whether a particular shareholder is engaging in excessive trading. In limited circumstances, Vanguard may allow for a custom frequent trading policy arrangement for omnibus accounts at certain intermediaries. Vanguard generally conducts oversight of trading activity at the omnibus account level in an effort to identify potentially disruptive transactions. A fund may request transaction information, as frequently as daily, from any intermediary at any time, and may apply a fund's policy trading restriction to a fund account where a trade exceeds policy thresholds. Each fund reserves the right to prohibit the purchase of its shares by any intermediary or by certain clients of the intermediary. There is no assurance that Vanguard will request data frequently enough to effectively detect or deter excessive trading in omnibus accounts.

Clients investing in Vanguard funds through an intermediary are encouraged to read and understand the intermediary's frequent trading policy requirements as they may differ from Vanguard's Frequent Trading Policy.

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Vanguard Funds

Supplement Dated April 16, 2026, to the Prospectuses and Summary Prospectuses

Effective today, a portfolio manager has been added as co-portfolio manager of each Fund/Portfolio listed in the table below (each, an "impacted Fund," and collectively, the "impacted Funds"). The impacted Funds' investment objectives, strategies, and policies remain unchanged.

Prospectus and Summary Prospectus Text Changes

The following table lists each impacted Fund and the corresponding portfolio manager added as co-portfolio manager:

Impacted Fund	Portfolio Manager
Vanguard Cash Reserves Federal Money Market Fund	Eion D'Anjou
Vanguard Core-Plus Bond Index ETF	Manuel Hayes
Vanguard Federal Money Market Fund	Eion D'Anjou
Vanguard Inflation-Protected Securities Fund	Brian Quigley
Vanguard Institutional Intermediate-Term Bond Fund	Peter Lee
Vanguard Institutional Short-Term Bond Fund	Thanh Nguyen
Vanguard Intermediate-Term Investment-Grade Fund	Peter Lee
Vanguard Long-Term Investment-Grade Fund	Blanton Keh
Vanguard Market Liquidity Fund	Eion D'Anjou
Vanguard Short-Term Investment-Grade Fund	Thanh Nguyen
Vanguard Treasury Money Market Fund	Eion D'Anjou
VVIF — Money Market Portfolio	Eion D'Anjou
VVIF — Short-Term Investment-Grade Portfolio	Thanh Nguyen

Prospectus and Summary Prospectus Text Changes
The following is added under the heading "Investment Advisor" in the Summary Prospectus and the summary section of the Prospectus for each impacted Fund, as appropriate:

Blanton Keh, CFA, Portfolio Manager at VCM. He has co-managed the Fund since April 2026.

Brian W. Quigley, CFA, Portfolio Manager at VCM. He has co-managed the Fund since April 2026.

Eion D'Anjou, Portfolio Manager at VCM. He has co-managed the Fund since April 2026.

Manuel Hayes, Senior Portfolio Manager at VCM. He has co-managed the Fund since April 2026.

Peter Lee, CFA, Portfolio Manager at VCM. He has co-managed the Fund since April 2026.

Thanh Nguyen, CFA, Portfolio Manager at VCM. She has co-managed the Fund since April 2026.

Prospectus Text Changes
The following is added under the heading "Investment Advisor" in the **More on the Fund(s)** or **More on the Portfolio** section for each impacted Fund, as appropriate:

Blanton Keh, CFA, Portfolio Manager at VCM. He has worked in investment management since 2001, has been with Vanguard since 2025, and has co-managed the Fund since April 2026. Education: B.S., California State Polytechnic University – Pomona; M.S., University of California, Los Angeles; M.B.A., University of California Anderson School of Management.

Brian W. Quigley, CFA, Portfolio Manager at VCM. He has been with Vanguard since 2003, has worked in investment management since 2005, he has managed investment portfolios since 2015, and has co-managed the Fund since April 2026. Education: B.S., Lehigh University.

Eion D'Anjou, Portfolio Manager at VCM. He has worked in investment management since 2006, has been with Vanguard since 2026, and he has co-managed the Fund since April 2026. Education: B.S., Cornell University.

Manuel Hayes, Senior Portfolio Manager at VCM. He has worked in investment management since 2005, has managed investment portfolios since 2007, has been with Vanguard since 2025, and co-managed the Fund since April 2026. Education: B.A., University of California, Berkeley.

Peter Lee, CFA, Portfolio Manager at VCM. He has worked in investment management since 2005, has been with Vanguard since 2012, and he has co-managed the Fund since April 2026. Education: B.S., Villanova University; M.I.S, Villanova University; M.B.A., University of Virginia Darden School of Business.

Thanh Nguyen, CFA, Portfolio Manager at VCM. She has worked in investment management since 2005, has been with Vanguard since 2013, has managed investment portfolios since 2014, and has co-managed the Fund since April 2026. Education: B.A., Ohio Wesleyan University; M.B.A., The Wharton School of the University of Pennsylvania.

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January 28, 2026

Prospectus

Vanguard Institutional Bond Funds

Institutional Plus Shares

Vanguard Institutional Short-Term Bond Fund Institutional Plus Shares (VISTX)
Vanguard Institutional Intermediate-Term Bond Fund Institutional Plus Shares (VIITX)

This prospectus contains financial data for the Funds through the fiscal year ended September 30, 2025.

The Securities and Exchange Commission (SEC) has not approved or disapproved these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.

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Vanguard Institutional Short-Term Bond Fund

Investment Objective

Vanguard Institutional Short-Term Bond Fund (the "Fund") seeks to provide a high level of current income consistent with the maintenance of principal and liquidity.

Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy, hold, and sell shares of the Fund. **You may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the tables and example below.**

Shareholder Fees
(Fees paid directly from your investment)

Sales Charge (Load) Imposed on Purchases	None
Purchase Fee	None
Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None

Annual Fund Operating Expenses
(Expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.02%
12b-1 Distribution Fee	None
Other Expenses	0.00%
Total Annual Fund Operating Expenses	0.02%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds. The example assumes that you invest $10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same.

1 Year	3 Years	5 Years	10 Years
$2	$6	$11	$26

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 126% of the average value of its portfolio.

Principal Investment Strategies

The Fund employs an active management approach, investing primarily in a diversified portfolio of short-term bonds. Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in bonds. For purposes of the 80% policy, "bonds" include fixed income securities such as corporate bonds; U.S. Treasury obligations and other U.S. government and agency securities; obligations issued or guaranteed by a foreign government or their agencies, instrumentalities, or political subdivisions; and asset-backed, mortgage-backed, and mortgage-related securities.

The Fund primarily purchases high-quality bonds, which are those rated the equivalent of A3 or better by Moody's or another independent rating agency or, if unrated, are determined to be of comparable quality by the Fund's advisor. The Fund expects to maintain a dollar-weighted average maturity of 1 to 4 years.

The Fund may invest in To Be Announced ("TBA") mortgage-backed securities or in derivatives such as fixed income futures contracts, fixed income options (including options on swaps), currency swaps, interest rate swaps, total return swaps, credit default swaps, or other derivatives. The Fund also may take short positions in TBA mortgage-backed securities.

Principal Risks

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

- ***General Market Risk.*** The markets in which the Fund invests can be affected by a variety of factors. These factors, which can be real or perceived, may include economic, market, political, and regulatory conditions and developments as well as local, regional, or global events such as wars, military conflicts, natural disasters, and public health issues. In addition, investor sentiment and expectations regarding these factors can also impact the markets. Different parts of the market, including different industries and

sectors as well as different types of securities, may react differently to factors that affect the market. These factors can contribute to market uncertainty, market volatility, and fluctuations in the value of the Fund's investments, thereby resulting in potential losses to the Fund over short or long periods.

- ***Investing in Bond Markets*.** The Fund invests in bonds. As a result, the Fund may be impacted by the general condition of the bond markets and by factors that affect bonds and bond issuers. For example, as a general rule, bond prices and interest rates move in opposite directions. When interest rates rise, bond prices tend to fall, and when interest rates fall, bond prices tend to go up. Bond income also is affected by changes in interest rates. Interest rates can rise or fall for a number of reasons, including, but not limited to, central bank monetary policy, inflationary or deflationary pressures, and changes in general market and economic conditions. Changing interest rates, including, but not limited to, rates that fall below zero, could have unpredictable effects on the overall market and may expose the bond markets in particular to heightened volatility and potential illiquidity. The degree to which the Fund is impacted by certain bond market risks may vary based on factors disclosed in it's principal investment strategies, such as the types of bonds in which it invests and the overall credit quality, average maturity, and/or average duration of it's bond holdings.
- ***Interest Rate Risk*.** During periods of rising interest rates, bond prices overall may decline, which could result in a decline in the Fund's value. The prices of longer-term bonds are more sensitive to changes in interest rates than the prices of shorter-term bonds.
- ***Income Risk*.** During periods of falling interest rates, the Fund's income may decline. The income paid by shorter-term bonds is subject to a higher degree of fluctuation than the income paid by longer-term bonds.
- ***Credit Risk*.** Credit risk refers to the chance that an issuer will default (fail to meet its credit obligations) or fail to make payments in a timely manner, which could result in a loss to the Fund. In addition, negative perceptions of an issuer's ability to make payments can cause the price of a security to decline. While all debt securities are subject to credit risk to some extent, those with higher credit quality ratings generally pose less credit risk than those with lower credit quality ratings.
- ***Bond Liquidity Risk*.** If the Fund is unable to sell a security at an advantageous time or price, its returns may be reduced. There may be limited trading in the secondary market for certain debt securities, which could make them more difficult to value or sell.
- ***Call Risk.*** Certain bonds held by the Fund may be callable. The issuer of a callable bond has the right to "call" (redeem) the bond before its maturity date. Calls on bonds held by the Fund would result in the Fund losing any price appreciation above the bond's call price. In addition, because bond calls occur more frequently during periods of falling interest rates, the Fund likely

would be forced to reinvest the proceeds of any called bonds at a lower interest rate than that of the called bonds, resulting in a decline in the Fund's income and a potential loss in the value of the Fund's investments. Frequent bond calls and subsequent reinvestments of the proceeds also would increase the Fund's turnover rate.

- ***Prepayment Risk*.** Certain bonds are subject to risks associated with prepayment. Prepayment risk for callable bonds is described under ***Call Risk***. With respect to mortgage-backed, asset-backed, and similar debt securities, prepayment typically refers to borrowers repaying their debt early (e.g., before the maturity date). Prepayment of bonds held by the Fund would result in the Fund losing any price appreciation above the amount repaid (or the bond's call price, in the case of callable bonds). In addition, because prepayments occur more frequently in low interest rate environments, the Fund likely would be forced to reinvest the proceeds from any prepayments at a lower interest rate than when the prepaid bonds were purchased, resulting in a decline in the Fund's income and a potential loss in the value of the Fund's investments. Frequent prepayments and subsequent reinvestment of the proceeds also would increase the Fund's turnover rate.
- ***Extension Risk*.** During periods of rising interest rates, certain bonds held by the Fund may be paid off substantially more slowly than originally anticipated. As a result, the value of the bonds may fall, resulting in a decline in the Fund's income and a potential loss in the value of the Fund's investments.
- ***Active Management.*** The Fund is actively managed. The advisor's security selection and/or strategy execution could cause the Fund to underperform relevant securities markets or other funds with a similar investment objective.
- ***TBA Mortgage-Backed Securities***. A TBA transaction represents an agreement to buy or sell mortgage-backed securities with agreed-upon characteristics for a fixed unit price at a future date, but does not specify the particular security to be delivered. TBA transactions are subject to the risk that the values of the mortgage-backed securities that the Fund has agreed to purchase will decline prior to the settlement date or that the counterparty will not deliver the securities as promised.
- ***Investing in Derivatives***. Investing in derivatives may present risks different from, and/or greater than, those associated with investing directly in stocks, bonds, or other types of investments. Derivatives could expose the Fund to increased volatility and/or significant loss. Certain derivatives have an inherent leverage component, providing the Fund exposure to a sizable position in an underlying asset with a relatively small upfront investment at the time the Fund enters into the derivatives position. For these derivatives, an adverse change in the value or price of the underlying asset could result in a loss substantially greater than the amount invested in the derivative itself. Some derivatives require the Fund to enter into a contract with a counterparty. If the counterparty is unable or unwilling to fulfill its contractual obligation, the Fund may experience a loss. A liquid market may not always exist for the

Fund's derivatives positions. The Fund may be unable to sell or otherwise exit its derivatives position at desired times or prices, which could also result in a loss to the Fund. Some derivatives, particularly OTC derivatives, can be complex and often are valued subjectively. Valuation may be more difficult in times of market turmoil since many investors and market makers may be reluctant to purchase complex instruments or quote prices for them. Improper valuations can result in increased cash payment requirements to counterparties or a loss of value to the Fund.

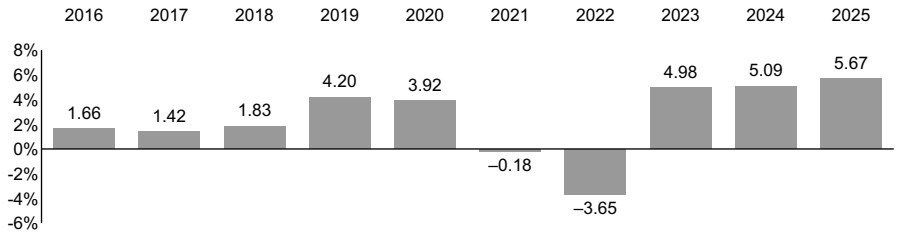
Derivatives may not perform as intended, which may result in losses to the Fund. For example, derivatives used for hedging or as a substitute for a portfolio instrument may not provide the expected benefits, particularly during adverse market conditions. The use of derivatives is also subject to legal risk, which includes the risk of loss resulting from insufficient or unenforceable contractual documentation, insufficient capacity or authority of the Fund's counterparty, and operational risk, which includes documentation or settlement issues, system failures, inadequate controls, and human error.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Annual Total Returns

The following bar chart and table show the Fund's historical performance and are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns of the Fund compare with those of a broad-based securities market index and one or more additional indexes with similar investment characteristics as the Fund. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available on our website at *vanguard.com/performance*.

Annual Total Returns — Vanguard Institutional Short-Term Bond Fund Institutional Plus Shares



During the periods shown in the bar chart, the highest and lowest returns for a calendar quarter were:

	Total Return	Quarter
Highest	2.96%	September 30, 2024
Lowest	-2.44%	March 31, 2022

Average Annual Total Returns for Periods Ended December 31, 2025

	1 Year	5 Years	10 Years
Vanguard Institutional Short-Term Bond Fund Institutional Plus Shares			
Return Before Taxes	5.67%	2.31%	2.46%
Return After Taxes on Distributions	3.74	0.96	1.33
Return After Taxes on Distributions and Sale of Fund Shares	3.33	1.18	1.40
Bloomberg U.S. Government/Credit 1-3 Year ex Baa Index (reflects no deduction for fees, expenses, or taxes)	5.27%	1.87%	1.98%
Bloomberg U.S. Aggregate Float Adjusted Index (reflects no deduction for fees, expenses, or taxes)	7.21	-0.37	2.05

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* may be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

Investment Advisor

The Vanguard Group, Inc. (Vanguard) through its wholly owned subsidiary, Vanguard Capital Management (VCM). VCM exercises portfolio management responsibilities for the Fund.

Portfolio Managers

Arvind Narayanan, CFA, Principal of Vanguard and Senior Portfolio Manager at VCM. He has co-managed the Fund since 2019.

Daniel Shaykevich, Principal of Vanguard and Senior Portfolio Manager at VCM. He has co-managed the Fund since 2018.

David Van Ommeren, Principal of Vanguard and Senior Portfolio Manager at VCM. He has co-managed the Fund since 2022.

Purchase and Sale of Fund Shares

The Fund is available only to certain collective trusts and other accounts managed by Vanguard or its affiliates, as well as qualified education savings plans. The minimum investment amount required to open a Fund account for Institutional Plus Shares is generally $10 million. The minimum investment amount required to add to an existing Fund account is generally $1. Tax-advantaged education savings plans should contact Vanguard for special eligibility rules that may apply to them.

Tax Information

The Fund's distributions may be taxable as ordinary income or capital gains. If you are investing through a tax-advantaged account, such as an IRA or an employer-sponsored retirement or savings plan, special tax rules apply.You should consult your own tax advisor with respect to any particular U.S. or non-U.S. tax consequences of your investment in the Fund.

Payments to Financial Intermediaries

The Fund and its advisor do not pay financial intermediaries for sales of Fund shares.

Vanguard Institutional Intermediate-Term Bond Fund

Investment Objective

Vanguard Institutional Intermediate-Term Bond Fund (the "Fund") seeks to provide a high level of current income consistent with the maintenance of principal and liquidity.

Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy, hold, and sell shares of the Fund. **You may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the tables and example below.**

Shareholder Fees
(Fees paid directly from your investment)

Sales Charge (Load) Imposed on Purchases	None
Purchase Fee	None
Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None

Annual Fund Operating Expenses
(Expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.02%
12b-1 Distribution Fee	None
Other Expenses	0.00%
Total Annual Fund Operating Expenses	0.02%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds. The example assumes that you invest $10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same.

1 Year	3 Years	5 Years	10 Years
$2	$6	$11	$26

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 169% of the average value of its portfolio.

Principal Investment Strategies

The Fund is actively managed, investing primarily in a diversified portfolio of short- and intermediate-term bonds. Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in bonds. For purposes of the 80% policy, "bonds" include fixed income securities such as corporate bonds; U.S. Treasury obligations and other U.S. government and agency securities; obligations issued or guaranteed by a foreign government or their agencies, instrumentalities, or political subdivisions; and asset-backed, mortgage-backed, and mortgage-related securities.

The Fund primarily purchases high-quality bonds, which are those rated the equivalent of A3 or better by Moody's or another independent rating agency or, if unrated, are determined to be of comparable quality by the Fund's advisor. The Fund expects to maintain a dollar-weighted average maturity of 3 to 10 years.

The Fund may invest in To Be Announced ("TBA") mortgage-backed securities or in derivatives such as fixed income futures contracts, fixed income options (including options on swaps), currency swaps, interest rate swaps, total return swaps, credit default swaps, or other derivatives. The Fund also may take short positions in TBA mortgage-backed securities.

Principal Risks

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

- ***General Market Risk.*** The markets in which the Fund invests can be affected by a variety of factors. These factors, which can be real or perceived, may include economic, market, political, and regulatory conditions and developments as well as local, regional, or global events such as wars, military conflicts, natural disasters, and public health issues. In addition, investor sentiment and expectations regarding these factors can also impact the markets. Different parts of the market, including different industries and

sectors as well as different types of securities, may react differently to factors that affect the market. These factors can contribute to market uncertainty, market volatility, and fluctuations in the value of the Fund's investments, thereby resulting in potential losses to the Fund over short or long periods.

- ***Investing in Bond Markets*.** The Fund invests in bonds. As a result, the Fund may be impacted by the general condition of the bond markets and by factors that affect bonds and bond issuers. For example, as a general rule, bond prices and interest rates move in opposite directions. When interest rates rise, bond prices tend to fall, and when interest rates fall, bond prices tend to go up. Bond income also is affected by changes in interest rates. Interest rates can rise or fall for a number of reasons, including, but not limited to, central bank monetary policy, inflationary or deflationary pressures, and changes in general market and economic conditions. Changing interest rates, including, but not limited to, rates that fall below zero, could have unpredictable effects on the overall market and may expose the bond markets in particular to heightened volatility and potential illiquidity. The degree to which the Fund is impacted by certain bond market risks may vary based on factors disclosed in it's principal investment strategies, such as the types of bonds in which it invests and the overall credit quality, average maturity, and/or average duration of it's bond holdings.
- ***Interest Rate Risk*.** During periods of rising interest rates, bond prices overall may decline, which could result in a decline in the Fund's value. The prices of longer-term bonds are more sensitive to changes in interest rates than the prices of shorter-term bonds.
- ***Income Risk*.** During periods of falling interest rates, the Fund's income may decline. The income paid by shorter-term bonds is subject to a higher degree of fluctuation than the income paid by longer-term bonds.
- ***Credit Risk*.** Credit risk refers to the chance that an issuer will default (fail to meet its credit obligations) or fail to make payments in a timely manner, which could result in a loss to the Fund. In addition, negative perceptions of an issuer's ability to make payments can cause the price of a security to decline. While all debt securities are subject to credit risk to some extent, those with higher credit quality ratings generally pose less credit risk than those with lower credit quality ratings.
- ***Bond Liquidity Risk*.** If the Fund is unable to sell a security at an advantageous time or price, its returns may be reduced. There may be limited trading in the secondary market for certain debt securities, which could make them more difficult to value or sell.
- ***Call Risk.*** Certain bonds held by the Fund may be callable. The issuer of a callable bond has the right to "call" (redeem) the bond before its maturity date. Calls on bonds held by the Fund would result in the Fund losing any price appreciation above the bond's call price. In addition, because bond calls occur more frequently during periods of falling interest rates, the Fund likely

would be forced to reinvest the proceeds of any called bonds at a lower interest rate than that of the called bonds, resulting in a decline in the Fund's income and a potential loss in the value of the Fund's investments. Frequent bond calls and subsequent reinvestments of the proceeds also would increase the Fund's turnover rate.

- ***Prepayment Risk*.** Certain bonds are subject to risks associated with prepayment. Prepayment risk for callable bonds is described under ***Call Risk***. With respect to mortgage-backed, asset-backed, and similar debt securities, prepayment typically refers to borrowers repaying their debt early (e.g., before the maturity date). Prepayment of bonds held by the Fund would result in the Fund losing any price appreciation above the amount repaid (or the bond's call price, in the case of callable bonds). In addition, because prepayments occur more frequently in low interest rate environments, the Fund likely would be forced to reinvest the proceeds from any prepayments at a lower interest rate than when the prepaid bonds were purchased, resulting in a decline in the Fund's income and a potential loss in the value of the Fund's investments. Frequent prepayments and subsequent reinvestment of the proceeds also would increase the Fund's turnover rate.
- ***Extension Risk*.** During periods of rising interest rates, certain bonds held by the Fund may be paid off substantially more slowly than originally anticipated. As a result, the value of the bonds may fall, resulting in a decline in the Fund's income and a potential loss in the value of the Fund's investments.
- ***Active Management.*** The Fund is actively managed. The advisor's security selection and/or strategy execution could cause the Fund to underperform relevant securities markets or other funds with a similar investment objective.
- ***TBA Mortgage-Backed Securities***. A TBA transaction represents an agreement to buy or sell mortgage-backed securities with agreed-upon characteristics for a fixed unit price at a future date, but does not specify the particular security to be delivered. TBA transactions are subject to the risk that the values of the mortgage-backed securities that the Fund has agreed to purchase will decline prior to the settlement date or that the counterparty will not deliver the securities as promised.
- ***Investing in Derivatives***. Investing in derivatives may present risks different from, and/or greater than, those associated with investing directly in stocks, bonds, or other types of investments. Derivatives could expose the Fund to increased volatility and/or significant loss. Certain derivatives have an inherent leverage component, providing the Fund exposure to a sizable position in an underlying asset with a relatively small upfront investment at the time the Fund enters into the derivatives position. For these derivatives, an adverse change in the value or price of the underlying asset could result in a loss substantially greater than the amount invested in the derivative itself. Some derivatives require the Fund to enter into a contract with a counterparty. If the counterparty is unable or unwilling to fulfill its contractual obligation, the Fund may experience a loss. A liquid market may not always exist for the

Fund's derivatives positions. The Fund may be unable to sell or otherwise exit its derivatives position at desired times or prices, which could also result in a loss to the Fund. Some derivatives, particularly OTC derivatives, can be complex and often are valued subjectively. Valuation may be more difficult in times of market turmoil since many investors and market makers may be reluctant to purchase complex instruments or quote prices for them. Improper valuations can result in increased cash payment requirements to counterparties or a loss of value to the Fund.

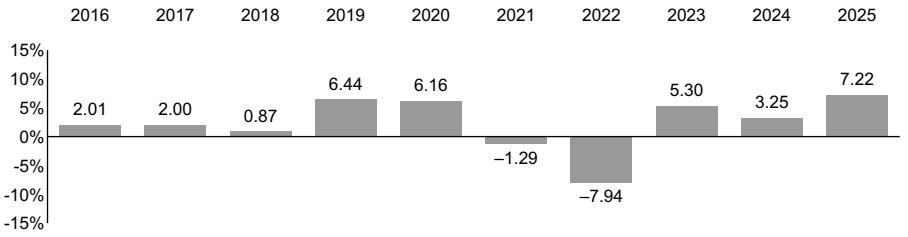
Derivatives may not perform as intended, which may result in losses to the Fund. For example, derivatives used for hedging or as a substitute for a portfolio instrument may not provide the expected benefits, particularly during adverse market conditions. The use of derivatives is also subject to legal risk, which includes the risk of loss resulting from insufficient or unenforceable contractual documentation, insufficient capacity or authority of the Fund's counterparty, and operational risk, which includes documentation or settlement issues, system failures, inadequate controls, and human error.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Annual Total Returns

The following bar chart and table show the Fund's historical performance and are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns of the Fund compare with those of a broad-based securities market index and one or more additional indexes with similar investment characteristics as the Fund. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available on our website at *vanguard.com/performance*.

Annual Total Returns — Vanguard Institutional Intermediate-Term Bond Fund Institutional Plus Shares



During the periods shown in the bar chart, the highest and lowest returns for a calendar quarter were:

	Total Return	Quarter
Highest	4.97%	December 31, 2023
Lowest	-4.16%	March 31, 2022

Average Annual Total Returns for Periods Ended December 31, 2025

	1 Year	5 Years	10 Years
Vanguard Institutional Intermediate-Term Bond Fund Institutional Plus Shares			
Return Before Taxes	7.22%	1.16%	2.31%
Return After Taxes on Distributions	5.26	-0.17	1.09
Return After Taxes on Distributions and Sale of Fund Shares	4.24	0.31	1.25
Bloomberg U.S. Intermediate Aggregate ex Baa Index (reflects no deduction for fees, expenses, or taxes)	7.36%	0.55%	1.87%
Bloomberg U.S. Aggregate Bond Index (reflects no deduction for fees, expenses, or taxes)	7.30	-0.36	2.01

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* may be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

Investment Advisor

The Vanguard Group, Inc. (Vanguard) through its wholly owned subsidiary, Vanguard Capital Management (VCM). VCM exercises portfolio management responsibilities for the Fund.

Portfolio Managers

Arvind Narayanan, CFA, Principal of Vanguard and Senior Portfolio Manager at VCM. He has co-managed the Fund since 2019.

Brian W. Quigley, CFA, Portfolio Manager at VCM. He has co-managed the Fund since its inception in 2015.

Daniel Shaykevich, Principal of Vanguard and Senior Portfolio Manager at VCM. He has co-managed the Fund since 2018.

David Van Ommeren, Principal of Vanguard and Senior Portfolio Manager at VCM. He has co-managed the Fund since 2022.

Purchase and Sale of Fund Shares

The Fund is available only to certain collective trusts and other accounts managed by Vanguard or its affiliates, as well as qualified education savings plans. The minimum investment amount required to open a Fund account for Institutional Plus Shares is generally $10 million. The minimum investment amount required to add to an existing Fund account is generally $1. Tax-advantaged education savings plans should contact Vanguard for special eligibility rules that may apply to them.

Tax Information

The Fund's distributions may be taxable as ordinary income or capital gains. If you are investing through a tax-advantaged account, such as an IRA or an employer-sponsored retirement or savings plan, special tax rules apply.You should consult your own tax advisor with respect to any particular U.S. or non-U.S. tax consequences of your investment in the Fund.

Payments to Financial Intermediaries

The Fund and its advisor do not pay financial intermediaries for sales of Fund shares.

More on the Fund

This prospectus provides information about the following Vanguard funds (each, a "Fund," and collectively, the "Funds"):

- Vanguard Institutional Short-Term Bond Fund
- Vanguard Institutional Intermediate-Term Bond Fund

Each Fund is a series of Vanguard Malvern Funds (the "Trust"). The Funds were established by Vanguard primarily as investment vehicles for certain collective trusts and other accounts managed by Vanguard or its affiliates, as well as qualifying education savings plans. The Funds are not available to other investors. Vanguard reserves the right to change the availability of the Funds at any time without prior notice to shareholders.

Shareholders of a Fund pay a proportionate share of the costs of operating the Fund and any transaction costs incurred when the Fund buys or sells securities. These costs can erode a substantial portion of the gross income or the capital appreciation a Fund achieves. Even seemingly small differences can, over time, have a dramatic effect on a Fund's performance.

Investment Objectives and More on Principal Investment Strategies

In this section, you will find more information about each Fund's investment objective and the principal investment strategies and policies that each Fund uses in pursuit of its investment objective. The Trust's board of trustees (the "Board") oversees each Fund's management. The Board may approve changes to a Fund's strategies or policies in the interest of shareholders without shareholder approval unless the strategy or policy is designated as fundamental.

Investment Objectives

Each Fund seeks to provide a high level of current income consistent with the maintenance of principal and liquidity.

Each Fund's investment objective is not fundamental and may be changed without shareholder approval.

Implementation of Investment Objectives

The advisor of each Fund seeks to achieve the Fund's investment objective by investing in high-quality fixed income securities.

What is Active Management?

Actively managed funds typically seek to exceed the average returns of a particular financial market or market segment. Each Fund's advisor will select securities to buy and sell based on the advisor's judgments about companies and their financial prospects, the prices of the securities, and the markets and the economy in general. In selecting securities, an advisor may rely on, among other things, research, market forecasts, quantitative models, and their own judgment and experience.

Under normal circumstances, each Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in bonds. For purposes of the 80% policy, "bonds" include fixed income securities such as corporate bonds; U.S. Treasury obligations and other U.S. government and agency securities; obligations issued or guaranteed by a foreign government or their agencies, instrumentalities, or political subdivisions; and asset-backed, mortgage-backed, and mortgage-related securities. Investments in derivatives may be counted toward a Fund's 80% policy to the extent that they provide investment exposure to the securities included within the policy or to one or more market risk factors associated with such securities. Each Fund may change its 80% policy only upon 60 days' notice to shareholders.

Security Selection

Each Fund's advisor buys and sells securities for the Fund based on the advisor's judgements about a security's fundamentals, technical factors, valuation, and contribution to the overall portfolio.

- *Vanguard Institutional Short-Term Bond Fund* invests primarily in short-term bonds and is expected to maintain a dollar-weighted average maturity of 1 to 4 years.
- *Vanguard Institutional Intermediate-Term Bond Fund* invests primarily in short-term and intermediate-term bonds and is expected to maintain a dollar-weighted average maturity of 3 to 10 years.

Each Fund primarily purchases bonds of high quality, which are those rated the equivalent of A3 or better by Moody's or another independent rating agency, or, if unrated, are determined to be of comparable quality by the Fund's advisor.

Each Fund's investments in mortgage-backed or mortgage-related securities may include mortgage dollar rolls, collateralized mortgage obligations, and TBA mortgage-backed securities. Each Fund will only use mortgage dollar rolls if and when their use is consistent with the Fund's investment objective and principal investment strategies. With respect to collateralized mortgage obligations, the Funds will invest only in those that are believed to be consistent with their maturity and credit quality standards. Each Fund may enter into TBA

transactions as a buyer or a seller. When entering into TBA transactions as a seller, a Fund may sell a TBA mortgage-backed security that it does not hold (i.e., engage in a short sale).

Each Fund may invest in derivatives such as fixed income futures contracts, fixed income options (including options on swaps), currency swaps, interest rate swaps, total fixed income futures contracts, fixed income options (including options on swaps), currency swaps, interest rate swaps, total return swaps, credit default swaps, or other derivatives return swaps, credit default swaps, or other derivatives. The Funds may invest in derivatives only if the expected risks and rewards of the derivatives are consistent with the investment objective, policies, strategies, and risks of the Fund as disclosed in this prospectus. In particular, derivatives will be used only when they may help the advisor to accomplish one or more of the following:

- Invest in eligible asset classes with greater efficiency and lower cost than is possible through direct investment.
- Add value when these instruments are attractively priced. Adjust sensitivity to changes in interest rates.
- Adjust the overall credit risk of the portfolio or actively overweight or underweight credit risk to specific bond issuers.
- Hedge foreign interest rate exposure.

Although the Funds do not intend to focus on a particular bond market sector, from time to time, a Fund's holdings may be concentrated in one or more sectors in pursuit of its investment objective.

Additional Information Regarding the Funds' Investments
The Funds' investments are described in more detail below.

What are Bonds?

Generally speaking, a **bond** represents a debt or loan issued by, for example, a corporation, a government, or a financial institution. In most instances, the issuer agrees to pay the bondholder a fixed, variable, or floating rate of interest for a specified length of time, and to repay the bond in full on a specified **maturity** date. The **income** earned by a bond (or its **yield**, when expressed as a percentage of the bond's price) can vary based on its **maturity**. Longer-term bonds tend to have higher yields than shorter-term bonds, but are more sensitive to fluctuations in value. By contrast, shorter-term bonds are less likely to fluctuate in value, but tend to have lower yields. A bond's **duration** is a measure of how sensitive its price is to changes in interest rates. For example, if a bond has a duration of 2 years, its price would fall by approximately 2% when interest rates rise by 1%. On the other hand, the bond's price would rise by approximately 2% when interest rates fall by 1%. A bond's **credit quality** rating is an assessment of the issuer's ability to make timely interest payments and repay the bond in full on its stated maturity date. The higher a bond's credit quality, the greater the perceived chance that the issuer will meet its payment obligations (and vice versa). Investment-grade bonds are those whose credit quality is considered by independent bond rating agencies, or through independent analysis conducted by an advisor, to be sufficient to ensure timely payment of principal and interest under current economic circumstances. Below investment-grade securities, which include bonds commonly known as "junk bonds," have lower credit quality ratings.

- *Corporate Bonds* are issued by businesses that want to borrow money for some purpose, often to develop a new product or service, to expand into a new market, or to buy another company. As with other types of bonds, the issuer promises to repay the principal on a specific date and to make interest payments in the meantime. The amount of interest offered depends both on market conditions and on the financial health of the corporation issuing the bonds. For example, companies with lower credit ratings generally need to offer a higher interest rate in order to obtain buyers for their bonds.

- *U.S. Government and Agency Securities* represent loans by investors to the U.S. Treasury or to a wide variety of government agencies and instrumentalities. Securities issued by the U.S. Treasury and a small number of U.S. government agencies (such as the Government National Mortgage Association) are backed by the full faith and credit of the U.S. government. However, securities issued by most U.S. government entities, including the U.S. government-sponsored enterprises discussed below, are neither guaranteed by the U.S. Treasury nor backed by the full faith and

credit of the U.S. government. The market values of U.S. government and agency securities and U.S. Treasury securities are subject to fluctuation and to the expectation that the U.S. Treasury will be able to honor its obligations.

A number of government-sponsored enterprises, such as the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, and the Federal Home Loan Banks, issue debt and mortgage-backed securities. Although government-sponsored enterprises may be chartered or sponsored by acts of Congress, they are not funded by congressional appropriations. For example, in September 2008, the U.S. Treasury placed the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation under conservatorship and appointed the Federal Housing Finance Agency to manage their daily operations. In addition, the U.S. Treasury entered into purchase agreements with the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation to provide them with capital in exchange for senior preferred stock. However, in general, a government-sponsored enterprise's securities are neither issued nor guaranteed by the U.S. Treasury, and they are not backed by the full faith and credit of the U.S. government. In most cases, securities issued by a government-sponsored enterprise are supported only by the credit of the government-sponsored enterprise itself. In some cases, a government-sponsored enterprise's securities may be supported by the ability of the government-sponsored enterprise to borrow from the U.S. Treasury or may be supported by the U.S. government in another way.

- *International Dollar-Denominated Bonds* are U.S. dollar-denominated bonds issued by foreign governments, agencies and instrumentalities of foreign governments, foreign corporations, or U.S. affiliates of foreign corporations. Because the values of such bonds are designated in the U.S. dollar rather than the issuer's local currency, it is the issuer that assumes the currency risk, usually to attract U.S. investors. As a result, the values of international dollar-denominated bonds are not affected directly by currency movements. However, if the foreign issuer's local currency weakens significantly compared to the U.S. dollar, negative perceptions of the issuer's ability to make payments could cause the issuer's bonds to decline in value. Many issuers of international dollar-denominated bonds manage this risk by hedging their currency exposure, and their effectiveness in doing so is reflected in their credit rating.

- *Asset-Backed Securities* represent a participation in, or are secured by and payable from, pools of underlying assets such as bank loans or credit card, automobile, or trade receivables. Asset-backed securities are issued by entities formed solely for the purpose of issuing such securities, and their value depends on repayments by underlying borrowers. The maturities of

asset-backed securities are driven by borrowers' prepayments, making them difficult to predict.

- *Mortgage-Backed Securities* represent partial ownership in pools of commercial or residential mortgage loans made by financial institutions to finance a borrower's real estate purchase. These loans are packaged by private corporations (non-agency mortgage-backed securities) or government issuers (agency mortgage-backed securities) for sale to investors. As the underlying mortgage loans are paid by borrowers, the investors receive payments of interest and principal.

  As discussed under *U.S. Government and Agency Securities*, most mortgage-backed securities issued by U.S. government entities or government-sponsored enterprises are neither guaranteed by the U.S. Treasury nor backed by the full faith and credit of the U.S. government. One exception is securities issued by the Government National Mortgage Association, which are backed by the full faith and credit of the U.S. government.

- *Mortgage Dollar Rolls* are transactions in which a fund sells mortgage-backed securities to a dealer and simultaneously agrees to purchase similar securities in the future at a predetermined price. Entering into a mortgage dollar roll transaction has the potential to enhance a fund's returns and reduce its administrative burdens compared to an investment in a traditional mortgage-backed security. The use of mortgage dollar rolls may increase a fund's portfolio turnover rate.

- *Collateralized Mortgage Obligations* or "CMOs" are bonds collateralized by mortgages or mortgage-pass through securities. The rights to receive principal and interest payments, called "cash flow rights," on underlying mortgages are divided up and prioritized to create short-, intermediate-, and long-term bonds. CMOs rely on assumptions about the timing of cash flows on the underlying mortgages, including expected rates of prepayment. If these assumptions are wrong, the bond's maturity could shorten or lengthen.

- *TBA Mortgage-Backed Securities* represent an agreement to buy or sell mortgage-backed securities with agreed-upon characteristics for a fixed unit price at a future date, but do not specify the particular securities to be delivered.

- *Derivatives,* in general, are financial contracts whose value is based on the value of a financial asset (such as a stock, a bond, or a currency), a physical asset (such as gold, oil, or wheat), a market index, or a reference rate.

More on Fund Risks

Investing in the securities markets can result in a loss of principal. Each Fund is subject to a variety of risks, including the principal risks listed below, that can impact its net asset value (NAV), performance, and ability to achieve its investment objective.

More on Principal Risks

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

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

Interest Rate Risk. A Fund's investments in bonds can be sensitive to interest rate changes and may be affected differently depending on the overall interest rate environment. During periods of rising interest rates, bond prices overall may decline, which could result in a decline in a Fund's value. The prices of longer-term bonds are more sensitive to changes in interest rates than the prices of shorter-term bonds.

Income Risk. During periods of falling interest rates, a Fund's income may decline because the Fund may have to invest new cash flow and cash from maturing bonds in bonds with lower yields. The income paid by shorter-term bonds is subject to a higher degree of fluctuation than the income paid by longer-term bonds.

Credit Risk. Credit risk refers to the chance that an issuer will default (fail to meet its credit obligations) or fail to make payments in a timely manner, which could result in a loss to a Fund. In addition, negative perceptions of an issuer's ability to make payments can cause the price of a security to decline. A Fund could be impacted by factors negatively impacting the issuers of its corporate bond holdings. For example, if a company is restructured, there could be a substantial decline in the credit quality and market value of any bonds issued by that company. While all debt securities are subject to credit risk to some extent, those with higher credit quality ratings generally pose less credit risk than those with lower credit quality ratings.

Bond Liquidity Risk. If a Fund is unable to sell a security at an advantageous time or price, its returns may be reduced. There may be limited trading in the secondary market for certain debt securities, which could make them more difficult to value or sell. For example, liquidity in the corporate bond market may be impacted by overall market conditions or by a decline in the availability of credit.

Call Risk. Certain bonds held by a Fund may be callable. The issuer of a callable bond has the right to "call" (redeem) the bond before its maturity date. When a bond is called, the principal value of the bond is repaid earlier than anticipated (prepayment) and the investor (in this case, a Fund) no longer receives the interest payments that would have been paid up to the expected maturity date. In addition, bond calls and the resulting prepayments cause a Fund to lose any price appreciation that would have occurred between the time the bond was called and its original maturity date.

During periods of falling interest rates, it benefits issuers to call bonds with high interest rates. When this occurs, a Fund likely will be forced to reinvest the proceeds of any called bonds at a lower interest rate than that of the called bonds, resulting in a decline in the Fund's income and a potential loss in the value of the Fund's investments. If a Fund holds multiple callable bonds, frequent bond calls (as is likely during periods of falling interest rates) and the Fund's subsequent reinvestment of the proceeds also would increase the Fund's turnover rate.

Prepayment Risk. Certain bonds may be repaid in full prior to their maturity dates. Prepayment can be driven by bond calls (see **Call Risk**) or by borrowers repaying their debt earlier than anticipated (in the case of mortgage-backed,

asset-backed, and similar debt securities such as collateralized mortgage obligations). In both cases, prepayment results in the principal value of a bond being repaid prior to its maturity date, resulting in fewer interest payments overall. Prepayments cause the investor (in this case, a Fund) to lose any price appreciation that would have occurred between the time the principal was paid in full and the original maturity date.

Prepayments occur more frequently in low interest rate environments. For example, during periods of falling interest rates, homeowners are more likely to refinance their mortgages, resulting in prepayment of mortgage-backed securities. Similarly, credit card holders are more likely to pay off their credit card bills, resulting in prepayment of asset-backed securities. As an investor in these securities, a Fund likely would be forced to reinvest the proceeds from any prepayments at a lower interest rate than when the prepaid bonds were purchased, resulting in a decline in a Fund's income and a potential loss in the value of a Fund's investments. In addition, frequent prepayments (as is likely during periods of falling interest rates) and a Fund's subsequent reinvestment of the proceeds would increase a Fund's turnover rate.

Extension Risk. During periods of rising interest rates, certain bonds held by a Fund may be paid off substantially more slowly than originally anticipated. As a result, the value of the bonds may fall, resulting in a decline in a Fund's income and a potential loss in the value of a Fund's investments. For example, investments in mortgage-backed securities are subject to the risk that homeowners will repay their mortgages more slowly than anticipated during periods of rising interest rates, which would extend the duration of mortgage-backed securities held by the Fund. The proceeds from such securities would then be unavailable to reinvest at higher interest rates.

Active Management. Each Fund is actively managed. Active management permits the advisor to use reasonable discretion on how to invest the assets of each Fund in a manner that helps the advisor achieve the strategy of the Fund. The advisor's security selection and/or strategy execution could cause each Fund to underperform relevant securities markets or other funds with a similar investment objective. All else being equal, actively managed funds can have higher fees and expenses than passively managed funds.

TBA Mortgage-Backed Securities. A TBA transaction represents an agreement to buy or sell mortgage-backed securities with agreed-upon characteristics for a fixed unit price at a future date, but does not specify the particular security to be delivered. TBA transactions are subject to the risk that the values of the mortgage-backed securities that a Fund has agreed to purchase will decline prior to the settlement date or that the counterparty will not deliver the securities as promised.

Investing in Derivatives. Each Fund's use of derivatives may introduce risks that are different from, and/or greater than, investing directly in stocks, bonds, or other types of investments. These risks include:

Leverage Risk. Certain derivatives have an inherent leverage component, providing a Fund exposure to a sizable position in an underlying asset with a relatively small upfront investment at the time the Fund enters into the derivatives position. An adverse change in the value or price of the underlying asset could result in a loss substantially greater than the amount invested in the derivative itself. Some derivatives have the potential for unlimited loss, regardless of the size of the initial investment. As a result, investing in derivatives may make the Fund's returns more volatile and increase the risk of loss. In certain market conditions, derivatives losses can increase at the same time the value of the Fund's other assets fall, resulting in the Fund's derivative positions becoming a larger percentage of the Fund's investments.

Counterparty Risk. Certain derivatives do not trade on an established exchange (referred to as over-the-counter (OTC) derivatives) and are simply financial contracts between a Fund and a counterparty. For these derivatives, the Fund is dependent on the counterparty to perform its obligations under the derivatives contract. Many counterparties are financial institutions such as banks and broker-dealers and their creditworthiness (and ability to pay or perform) may be negatively impacted by many factors. If the counterparty chooses to default on its obligations, or if it becomes bankrupt or insolvent and unable to fulfill its obligations, the Fund may experience delayed, partial, or nonpayment of amounts due under the derivatives contract, and the Fund's ability to recover the collateral that the Fund has posted with the counterparty may also be delayed or impaired. For derivatives traded on a centralized exchange, the Fund generally is dependent on the solvency of the relevant exchange or clearing house to deliver payments on derivatives for which the Fund is owed money.

Derivatives Liquidity Risk. A liquid market may not always exist for each Fund's derivatives positions. There is a smaller pool of buyers and sellers for certain derivatives than there is for more traditional investments such as stocks. These buyers and sellers are often financial institutions that may be unable or unwilling to buy or sell derivatives, particularly during times of financial or market stress. The market for derivatives could suddenly become illiquid, which may result in significant, rapid, and unpredictable changes in the prices for derivatives. As a result, derivative instruments may be less liquid than more traditional investments, and the Fund may be unable to sell or otherwise exit its derivatives positions at a desirable time or price. If the Fund is unable to exit its derivatives positions, the Fund may suffer further losses of value in its

derivatives holdings. In certain circumstances, a Fund may be forced to hold a derivative to maturity and take or make delivery of the underlying asset that the Fund would otherwise avoid.

Valuation Risk. Certain derivatives, particularly OTC derivatives, can be complex and often are valued subjectively. Valuation may be more difficult in times of market turmoil since many investors and market makers may be reluctant to purchase complex instruments or quote prices for them. Improper valuations can result in increased cash payment requirements to counterparties or a loss of value to a Fund.

Other Derivatives Risks. Derivatives are highly specialized instruments that require investment techniques different from those associated with stocks, bonds, and other more traditional investments, and there is no guarantee that the use of derivatives will achieve their intended result. For example, if a Fund uses derivatives as a hedge against, or as a substitute for, a portfolio instrument, the Fund will be exposed to the risk that the derivative will have or will develop imperfect or no correlation with the portfolio instrument. This could cause substantial losses for the Fund. Although hedging strategies involving derivatives can reduce the risk of loss, they can also reduce the opportunity for gain or even result in losses by offsetting favorable price movements in other fund investments. There is also the risk that during adverse market conditions, an instrument which would usually operate as a hedge provides no hedging benefits at all.

Derivatives are subject to extensive regulations in the United States and other non-U.S. jurisdictions. Compliance with these regulations could increase the costs and risks of trading in derivatives and, as a result, may affect the Fund's returns. The use of derivatives is also subject to legal risk, which includes the risk of loss resulting from insufficient or unenforceable contractual documentation, insufficient capacity or authority of a Fund's counterparty, and operational risk, which includes documentation or settlement issues, system failures, inadequate controls, and human error.

Additional Risks

Geopolitical and Sanctions Risk. Due to growing dependencies between global economies, geopolitical events can negatively affect all securities, markets, and economies. It is possible that events which only impact one geographic area could have negative short- or long-term effects on markets, issuers, and/or exchanges in the United States and other countries.

At times, the United States, other governments, or other supranational bodies (e.g., the United Nations) may impose sanctions on countries and/or entities in response to geopolitical events or other priorities. Compliance with sanctions

could impact the Funds, including the Funds' ability to transact in or obtain exposure to certain foreign securities and assets. Sanctions also could cause significant losses to the Funds' investments and their performance could be negatively impacted. In lieu of sanctions, companies or specific goods that the company produces could be subjected to trade embargoes or tariffs, which can also affect securities markets and create volatility. So long as sanctions do not prohibit investment in the company or issuer, the Funds typically also would not be prohibited from investing in the affected company or issuer.

Potential Redemption Activity Impacts. The Vanguard funds can be negatively impacted by certain large redemptions. These redemptions could occur due to a single shareholder or multiple shareholders deciding to sell a large quantity of shares of a fund or a share class of the fund. Large redemptions can occur for many reasons, either as a result of actions taken by the Vanguard funds or their advisors, or as a result of events unrelated to actions taken by the Vanguard funds or their advisors. Actions taken by the Vanguard funds or their advisors could include, but are not limited to, changes to a fund's advisor(s), changes to a fund's portfolio manager(s), changes to the composition of a fund's portfolio, and/or other product changes or launches that, for example, result in shareholders redeeming shares of one fund to purchase shares of another fund or investment vehicle. For a fund of funds, actions taken by the Vanguard funds or their advisors could include a withdrawal from an underlying fund or a change in the allocation to underlying funds. Events unrelated to actions taken by the Vanguard funds or their advisors could include shareholders selling out of a fund in response to market movements or regulatory changes.

A large redemption could adversely affect a fund's liquidity and NAV. For example, a large redemption could require a fund's manager to sell portfolio holdings at unplanned or inopportune times. The manager's sale of these holdings, which is a taxable event, could require the fund to distribute any corresponding capital gains or other taxable income to the fund's remaining shareholders; see *Dividends, Distributions, and Taxes* in the **Investing in Vanguard Funds** section for additional information. The increased trading activity could also increase underlying costs for the fund due to commissions paid by the fund. When large redemptions occur, the Vanguard funds reserve the right to pay all or part of the redemptions in-kind and/or delay payment of the redemption proceeds for up to seven calendar days; see "Methods Used to Meet Redemption Requests" under *Purchase, Redemption, and Exchange of Fund Shares* in the **Investing in Vanguard Funds** section.

Other Investment Policies

In addition to employing its principal investment strategies, each Fund may use the following other investment strategies and types of investments in order to achieve its investment objective.

Other Types of Investments

Each Fund may invest up to 15% of its assets in illiquid securities, which are investments that a fund reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment. Restricted securities are illiquid securities that have not been publicly issued and legally can be resold only to qualified buyers. From time to time, the Board may determine that particular restricted securities are not illiquid, in which case a Fund would be able to purchase such securities without limit.

Each Fund may invest in cash equivalent investments, including repurchase agreements. Repurchase agreements are agreements in which a bank, a securities dealer, or another counterparty that meets minimum credit requirements sells government securities and agrees to repurchase the securities on a specific date (normally the next business day) at a specific price. The securities purchased serve as collateral for the counterparty's repurchase obligation. The Funds' advisor believes that risks associated with repurchase agreements can be controlled through careful security selection and monitoring.

Each Fund may invest a small portion of its assets in fixed income futures, which are a type of derivative, and/or shares of exchange-traded funds (ETFs). These ETFs typically provide returns similar to those of bonds. A Fund may purchase futures or ETFs when doing so will reduce the Fund's transaction costs, facilitate cash management, mitigate risk, or have the potential to add value because the instruments are favorably priced. Vanguard receives no additional revenue from Fund assets invested in ETF Shares of other Vanguard funds. Fund assets invested in ETF Shares of other Vanguard funds are excluded when allocating to the Fund its share of the costs of Vanguard's operations.

Cash Management

Each Fund's daily cash balance may be invested in one or more Vanguard CMT Funds, which are used as cash management vehicles for the Vanguard funds. When investing in a CMT Fund, each Fund bears its proportionate share of the expenses of the CMT Fund in which it invests. Vanguard receives no additional revenue from Fund assets invested in a CMT Fund.

Temporary Defensive Measures

Each Fund may temporarily depart from its normal investment policies and strategies when an advisor believes that doing so is in the Fund's best interest, so long as the strategy or policy employed is consistent with the Fund's investment objective. For instance, a Fund may invest beyond its normal limits in derivatives or exchange-traded funds that are consistent with the Fund's investment objective when those instruments are favorably priced or provide needed liquidity, as might be the case if the Fund is transitioning assets from one advisor to another or receives large cash flows that it cannot prudently invest immediately.

In addition, the Fund may take temporary defensive positions that are inconsistent with its normal investment policies and strategies—for instance, by allocating substantial assets to cash equivalent investments or other less volatile instruments—in response to adverse or unusual market, economic, political, or other conditions. In doing so, the Fund may succeed in avoiding losses but may otherwise fail to achieve its investment objective.

Cash equivalent investments include cash deposits, short-term bank deposits, and money market instruments such as U.S. Treasury bills and notes, bank certificates of deposit (CDs), repurchase agreements, commercial paper, and banker's acceptances.

Portfolio Holdings

Please consult the Funds' *Statement of Additional Information* or Vanguard's website for a description of the policies and procedures that govern disclosure of each Fund's portfolio holdings.

Management and Distribution of the Funds

Each Fund is a member of The Vanguard Group, Inc. (Vanguard), a family of over 200 funds. All of the funds that are members of Vanguard (other than funds of funds) share in the expenses associated with administrative services and business operations, such as personnel, office space, and equipment.

Vanguard Marketing Corporation provides marketing services to the funds. Although fund shareholders do not pay sales commissions or 12b-1 distribution fees, each fund (other than a fund of funds) or each share class of a fund (in the case of a fund with multiple share classes) pays its allocated share of the Vanguard funds' marketing costs.

How is Vanguard's Corporate Structure Unique?

Vanguard is owned jointly by the funds it oversees and thus indirectly by the shareholders in those funds. Most other mutual funds are operated by management companies that are owned by third parties—either public or private stockholders—and not by the funds they serve.

Investment Advisor

The Vanguard Group, Inc., P.O. Box 2600, Valley Forge, PA 19482, which began operations in 1975, serves as advisor to the Funds through Vanguard Capital Management (VCM). VCM exercises portfolio management responsibilities for the Funds. As of September 30, 2025, Vanguard served as advisor for approximately $9.6 trillion in assets. Vanguard, through VCM, provides investment advisory services to the Funds pursuant to the Funds' Service Agreement and subject to the supervision and oversight of the trustees and officers of the Funds.

VCM, P.O. Box 2600, Valley Forge, PA 19482, is a wholly owned subsidiary of Vanguard and was established in 2025.

For the fiscal year ended September 30, 2025, the advisory expenses represented an effective annual rate of 0.01% each Fund's average net assets.

Each Fund reserves the right to utilize a multimanager approach in the future. Under the terms of an SEC exemption, the Board may, without prior approval from shareholders, change the terms of an advisory agreement with a third-party investment advisor or hire a new third-party investment advisor—either as a replacement for an existing advisor or as an additional advisor. Any significant change in a Fund's advisory arrangement will be communicated to shareholders in writing. As Vanguard is the Funds' sponsor and overall manager, Vanguard, through VCM, may provide investment advisory services to a Fund under certain circumstances. Vanguard may also recommend to the Board that an advisor be hired, terminated, or replaced or that the terms of an existing advisory agreement be revised. The Funds have filed an application seeking an SEC exemption with respect to investment advisors that are wholly owned subsidiaries of Vanguard. If the exemption is granted, the Funds may rely on the new SEC relief.

A discussion regarding the basis for the Board's approval of each Fund's investment advisory arrangement is available in each Fund's Form N-CSR filed with the SEC for the fiscal period ended March 31, and in the applicable Financial Statements and Other Information document available on each Fund's website.

The managers primarily responsible for the day-to-day management of the Funds are:

Brian W. Quigley, CFA, Portfolio Manager at VCM. He has been with Vanguard since 2003, has worked in investment management since 2005, has managed investment portfolios since 2015, and has co-managed Vanguard Institutional Intermediate-Term Bond Fund since its inception in 2015. Education: B.S., Lehigh University.

Arvind Narayanan, CFA, Principal of Vanguard and Senior Portfolio Manager at VCM. He has worked in investment management since 2002, has managed investment portfolios since 2006, has been with Vanguard since 2019, and has co-managed the Funds since 2019. Education: B.A., Goucher College; M.B.A., New York University.

Daniel Shaykevich, Principal of Vanguard and Senior Portfolio Manager at VCM. He has worked in investment management since 2001, has managed investment portfolios since 2004, has been with Vanguard since 2013, and has co-managed the Funds since 2018. Education: B.S., Carnegie Mellon University.

David Van Ommeren, Principal of Vanguard and Senior Portfolio Manager at VCM. He has been with Vanguard since 1991, has worked in investment management since 1993, has managed investment portfolios since 1999, and has co-managed the Funds since 2022. Education: B.S., Temple University; Masters of Finance, Drexel University.

The Funds' *Statement of Additional Information* provides information about each portfolio manager's compensation, other accounts under management, and ownership of shares of the Funds.

Investing in Vanguard Funds

The Funds have been established primarily as investment vehicles for certain collective trusts and other accounts managed by Vanguard or its affiliates, as well as qualifying education savings plans. The Funds are not available to other investors. Vanguard reserves the right to change the availability of the Funds at any time without prior notice to shareholders.

The minimum investment amount required to open a Fund account for Institutional Plus Shares is generally $10 million. The minimum investment amount required to add to an existing Fund account is generally $1. Vanguard reserves the right, without notice, to increase or decrease the minimum amount required to open or maintain a fund account or to add to an existing fund account. Investment minimums may differ for certain categories of investors. Tax-advantaged education savings plans should contact Vanguard for special eligibility rules that may apply to them.

Transactions will be based on the next-determined net asset value ("NAV") after Vanguard receives the request in good order. If the request is received on a business day before the close of regular trading on the New York Stock Exchange (generally 4 p.m., Eastern time), the investor will receive that day's NAV and trade date. Transaction requests received after that time receive a trade date of the first business day following the date of receipt. The trade date may vary depending on the method of payment for the transaction.

The Vanguard funds have authorized certain financial intermediaries and their designees, and may, from time to time, authorize certain funds of funds for which Vanguard serves as the investment advisor (Vanguard Funds of Funds), to accept orders to purchase or redeem fund shares on behalf of the Vanguard funds. In these circumstances, the Vanguard fund will be deemed to receive an order when accepted by the authorized financial intermediary, its designee, or one of the Vanguard Funds of Funds, and the order will be executed using the NAV next calculated after such acceptance.

If a redemption request is received in good order, we typically expect that redemption proceeds will be paid by the Vanguard fund within one business day of the trade date; however, in certain circumstances, investors may experience a longer settlement period at the time of the transaction.

Under normal circumstances, the Vanguard funds typically expect to meet redemptions with positive cash flows. When this is not an option, a fund seeks to maintain its risk exposure by selling a cross section of the fund's holdings to meet redemptions, while also factoring in transaction costs. Additionally, a fund may work with larger clients to implement their redemptions in a manner that is least disruptive to the portfolio.

Under certain circumstances, including under stressed market conditions, there are additional tools that a fund may use in order to meet redemptions, including advancing the settlement of market trades with counterparties to match investor redemption payments or delaying settlement of an investor's transaction to match trade settlement within regulatory requirements. A fund may also suspend payment of redemption proceeds for up to seven days. Additionally under these unusual circumstances, a fund may borrow money (subject to certain regulatory conditions and if available under board-approved procedures) through an interfund lending facility; through a bank line-of-credit, including a joint committed credit facility; or through an uncommitted line-of-credit from Vanguard in order to meet redemption requests.

Although the Vanguard funds typically intend to meet redemption requests in cash, in consideration of the best interests of the funds and their remaining shareholders, the funds reserve the right to pay redemption proceeds wholly or partly in-kind by delivering readily marketable securities held by the funds in lieu of cash in conformity with applicable rules of the SEC and in accordance with procedures adopted by the funds' board of trustees. Redemptions in-kind may be used during both normal and stressed market conditions. For example, a fund may make a redemption in-kind if a cash redemption could negatively affect its operations or performance, as may be the case with large redemption amounts, or in situations where the redeeming shareholder may be engaged in market timing or frequent trading. A fund may delay payment of the redemption proceeds for up to seven calendar days.

Pricing of Fund Shares

When you purchase shares, you pay the share price, also known as the NAV, plus any applicable purchase fee. Your shares are also redeemed at the NAV, minus any applicable redemption fee. The share price for your transaction is the next one calculated after your purchase or redemption order is received in good order. NAV is typically calculated as of the close of regular trading on the New York Stock Exchange ("NYSE"), generally 4 p.m., Eastern time, on each day that the NYSE is open for business (a business day). In the rare event the NYSE experiences unanticipated disruptions and is unavailable at the close of the trading day, NAVs will be calculated as of the close of regular trading on the Nasdaq (or another alternate exchange if the Nasdaq is unavailable, as determined at Vanguard's discretion), generally 4 p.m., Eastern time. The time selected for NAV calculation in this rare event generally shall also serve as the conclusion of the trading day. On U.S. holidays or other days when the NYSE is closed, the NAV is not calculated, and the Vanguard funds do not sell or redeem shares. However, on those days the value of a fund's assets may be affected to the extent that the fund holds securities that change in value on those days (such as foreign securities that trade on foreign markets that are open).

If a fund only has one share class, the NAV per share is computed by dividing the total assets, minus liabilities, of a fund by the number of fund shares outstanding. If a fund has more than one share class, each share class has its own NAV, which is computed by dividing the total assets, minus liabilities, allocated to the share class by the number of fund shares outstanding for that class. The value of securities and other investments held by the Vanguard funds is determined pursuant to the valuation policies and procedures adopted by the Vanguard funds' boards of trustees. Vanguard has been designated as the valuation designee for the Vanguard funds pursuant to Rule 2a-5 under the Investment Company Act of 1940, subject to oversight by the Vanguard funds' boards of trustees.

Securities for which market quotations are readily available are valued at their market value, based on quotations provided by independent third-party pricing sources. Such securities are generally valued at their official closing price, the last reported sales price, or if there were no sales that day, the mean between the closing bid and asking prices, from the principal exchange or market on which they are traded. A fund's investments in any mutual fund shares, including institutional money market fund shares, are valued at the NAVs of the mutual fund shares. A fund's investments in any ETF shares or closed-end fund shares are valued at the market value of those shares.

When the market quotations are not readily available or do not accurately reflect the value of a security or other investment, such security or other investment is priced at fair value, generally based on information provided by independent third-party pricing services, in accordance with the valuation policies and procedures adopted by the Vanguard funds' boards of trustees. Fair value represents a good faith determination of the value of a fund's investments. The fair value of a security or other investment is the amount that the owner might reasonably expect to receive upon the current sale of the security or other investment. Fair-value pricing may require subjective determinations. It is possible that the price determined through fair-value pricing may differ from the price quoted or published by other sources and may not be the price at which those investments could have been sold during the period in which the fair value was used.

Fair-value pricing may be used in a variety of circumstances. For example, it may be used if the value of a security or other investment has been materially affected by events occurring after the close of the principal exchange or market on which the security is traded but before the funds' NAV is calculated. These events might be company-specific (e.g., earnings report, merger announcement), country-specific (e.g., significant price movements in U.S. or a foreign market), or regional/global events (e.g., natural disaster, economic or political news, interest rate change, act of terrorism). These events could affect a single security or a large number of securities in a particular market, and it

most commonly occurs with foreign portfolio holdings because many foreign markets operate at times that do not coincide with those of the major U.S. markets. Events that could affect the value of the foreign portfolio holdings may occur between the close of the foreign market and the time a fund's NAV is calculated. The values of any foreign securities held by a fund are converted into U.S. dollars using an exchange rate obtained from an independent third party as of the close of regular trading on the NYSE.

In addition, fair-value pricing may be used if trading in a security is halted and does not resume before a fund's pricing time, a security does not trade in the course of a day and a fund holds enough of the security that its price could affect the NAV, or if the trading market on which a security is listed is suspended or closed and no appropriate alternative trading market is available.

Fixed income securities are generally valued based on information furnished by independent pricing services and are priced at fair value. Pricing services may use matrix pricing or valuation models that utilize certain inputs and assumptions to derive values. Pricing services generally value fixed income securities assuming orderly transactions of an institutional round lot size, but a fund may hold or transact in such securities in smaller odd lot sizes. Odd lots may trade at lower prices than institutional round lots.

Failures by third-party pricing services to carry out their obligations to the Vanguard funds (e.g., any errors in the data provided by third-party pricing services) could result in delays in the calculation of the funds' NAVs and/or the inability to calculate the NAVs over extended time periods. The funds may be unable to recover any losses associated with such failures.

Vanguard fund share prices are published daily on our website.

Dividends, Distributions, and Taxes

Fund Distributions

Each Fund generally distributes to shareholders virtually all of its net income (interest less expenses) as well as any net short-term or long-term capital gains realized from the sale of its holdings. Each Fund may also make distributions that are treated as a return of capital. Income dividends generally are declared and distributed monthly; and capital gains distributions, if any, generally occur annually in December. In addition, each Fund may make a supplemental distribution at some other time during the year.

From time to time, Vanguard and/or a fund's board of trustees may adjust a fund's fees and expenses and/or reduce, refund, reimburse, waive, or otherwise return to the funds and their shareholders a portion of prior fees and expenses (collectively, "expense adjustments"). Fund performance and potentially

shareholder distributions, will reflect such expense adjustments. If you sell all or part of your investment in a fund before an expense adjustment occurs, then you will not receive the economic benefit, if any, of such expense adjustment. An expense adjustment at any given time does not imply or guarantee that similar or additional expense adjustments will be made in the future.

You can receive distributions of income or capital gains in cash, or you can have them automatically reinvested in more shares of the Fund.

Basic Tax Points

This Prospectus provides general tax information only. Please consult your own tax advisor for detailed information about any tax consequences for you.

Distributions from a Fund to tax-deferred or tax-advantaged plans are generally not taxable. If you are investing through such plans, the distribution is generally taxable as ordinary income. There are certain exceptions, such as distributions from a Roth 401(k) or education savings plan. Investors in taxable accounts should be aware of the following basic federal income tax points:

- Distributions are taxable to you whether or not you reinvest these amounts in additional Fund shares.
- Distributions declared and recorded in December—if paid to you by the end of January—are generally taxable as if received in December.
- Any income dividend distribution or short-term capital gains distribution that you receive is taxable to you as ordinary income.
- Any distribution of net long-term capital gains is taxable to you as long-term capital gains, no matter how long you have owned shares of the Fund.
- Capital gains distributions can occur when a Fund sells assets at a gain. Capital gains distributions vary from year to year as a result of the Fund's investment activities and cash flows, including those due to redemption activity by Fund shareholders.
- Capital gains distributions may occur if Vanguard, a Fund, or its advisor make changes that would impact the Fund directly or indirectly, including changes to the Fund's portfolio or advisors or changes to any other Vanguard fund or product that would involve the redemption of shares of the Fund and the related sale of the Fund's investments. Such changes could, depending on the timing, result in capital gains distributions in the current fiscal year, subsequent fiscal year, or both.
- Your cost basis in the Fund will be decreased by the amount of any return of capital that you receive. This, in turn, will affect the amount of any capital gain or loss that you realize when selling or exchanging your Fund shares.
- Return of capital distributions generally are not taxable to you until your cost basis has been reduced to zero. If your cost basis is at zero, return of capital distributions will be treated as capital gains.

- A sale or exchange of Fund shares is a taxable event. This means that you may have a capital gain to report as income, or a capital loss to report as a deduction, when you complete your tax return.
- Any conversion between classes of shares of the *same* fund is a *nontaxable* event. By contrast, an exchange between classes of shares of *different* funds is a *taxable* event.
- If you purchase shares before an ex-dividend date when a fund has realized but not yet distributed income or capital gains, the purchase price may include the amount of the upcoming distribution, and you may pay the full price for the shares and later receive a portion of the purchase price back as a taxable distribution. In such case, you generally will be taxed upon receipt of such distribution, even though the distribution effectively represents a return of a portion of your purchase price. This is known as "buying a dividend."

Individuals, trusts, and estates whose income exceeds certain threshold amounts are subject to a 3.8% Medicare contribution tax on "net investment income." Net investment income takes into account distributions paid by the Fund and capital gains from any sale or exchange of Fund shares.

Income dividends and capital gains distributions that you receive, as well as your gains or losses from any sale or exchange of Fund shares, may be subject to state and local income taxes. Depending on your state's rules, however, any dividends attributable to interest earned on direct obligations of the U.S. government may be exempt from state and local taxes. Vanguard will annually provide information regarding how much, if any, of your dividends may qualify for this exemption.

General Information

Backup Withholding. By law, Vanguard must withhold 24% of any taxable distributions or redemptions from your account if you do not:

- Provide your correct taxpayer identification number.
- Certify that the taxpayer identification number is correct.
- Confirm that you are not subject to backup withholding.

Similarly, Vanguard (or your intermediary) must withhold taxes from your account if the IRS instructs us to do so.

Special Notice to Non-U.S. Investors. The Funds offered for sale in this prospectus are primarily intended to be made available to U.S. residents and may not be appropriate for investors taxable outside of the United States. Non-U.S. investors should visit the non-U.S. investors page on our website at *global.vanguard.com* for information about Vanguard's non-U.S. products.

Non-U.S. investors should be aware that U.S. withholding and estate taxes and certain U.S. tax reporting requirements under the Internal Revenue Code, as well as any non-U.S. taxes imposed by the investor's relevant tax jurisdiction, may apply to an investment in the Funds. Non-U.S. investors should consult their own tax advisors with respect to any particular U.S. or non-U.S. tax consequences of their investment in the Funds.

Frequent Trading Limitations

Overview

Some investors may try to profit from strategies involving frequent trading of mutual fund shares (such as market-timing) and other excessive trading practices (together, "frequent trading"). For funds holding foreign securities, investors may try to take advantage of an anticipated difference between the price of the fund's shares and price movements in overseas markets because of different closing times of U.S. and non-U.S. markets, a practice also known as time-zone arbitrage. Some investors may also try to engage in frequent trading of funds holding investments in small-cap stocks and high-yield bonds that are thinly traded. Frequent trading may disrupt portfolio management strategies and increase a fund's costs (such as increased brokerage and administrative costs) for all shareholders including the long-term investors.

Each Vanguard fund (other than money market funds and short-term bond funds, but including Vanguard Short-Term Inflation-Protected Securities Index Fund) limits frequent trading. The Board has adopted policies and procedures reasonably designed to detect and discourage frequent trading. Although there is no assurance that Vanguard will be able to detect or prevent frequent trading in all circumstances, the policies and procedures discussed below have been adopted to address these issues.

Each Vanguard fund reserves the right to reject any purchase request—including exchanges from other Vanguard funds—without notice and regardless of size. For example, a purchase request could be rejected because the investor has a history of frequent trading or if Vanguard determines that such purchase may negatively affect a fund's operation or performance. Certain Vanguard funds charge shareholders purchase and/or redemption fees on transactions. Each Vanguard fund (other than retail and government money market funds), in determining its net asset value, will use fair-value pricing when appropriate, as described in *Pricing of Fund Shares*. Fair-value pricing may reduce or eliminate the profitability of certain frequent trading strategies.

Frequent Trading Policy

Each Vanguard fund (other than money market funds and short-term bond funds, but including Vanguard Short-Term Inflation-Protected Securities Index Fund) limits an investor's purchases or exchanges into a fund account for 30

calendar days after the investor has redeemed or exchanged out of that fund account ("Frequent-Trading Limits"). ETF shares are not subject to these Frequent-Trading Limits. For Vanguard Retirement Investment Program pooled plans, the Frequent-Trading Limits apply to exchanges made online or by telephone.

The Frequent-Trading Limits do not apply to the following:

- Purchases of shares with reinvested dividend or capital gains distributions.
- Transactions through Vanguard's Automatic Investment Plan, Automatic Exchange Service, Direct Deposit Service, Automatic Withdrawal Plan, Required Minimum Distribution Service, Vanguard Small Business Online®, and certain transactions through intermediaries relating to systematic trades and required minimum distributions.
- Discretionary transactions through Vanguard Personal Advisor Services®, Vanguard Digital Advisor™, and discretionary (advisor-directed) transactions through certain intermediaries.
- Redemptions of shares to pay fund or account fees.
- Redemptions of shares to remove excess shareholder contributions to certain types of retirement accounts (including, but not limited to, IRAs, certain Individual 403(b)(7) Custodial Accounts, and Vanguard Individual 401(k) Plans).
- Transfers and reregistrations of shares within the same fund.
- Purchases of shares by asset transfer or direct rollover.
- Conversions of shares from one share class to another in the same fund.
- Checkwriting redemptions.
- Section 529 college savings plans.
- Certain approved institutional portfolios and asset allocation programs, as well as trades made by funds or trusts managed by Vanguard or its affiliates that invest in other Vanguard funds. (Please note that shareholders of Vanguard's funds of funds are subject to the limitations.)
- Certain transactions below dollar value or other thresholds specified by Vanguard.
- In-kind transfers to a shareholder's donor advised fund managed by Vanguard Charitable.

For participants in employer-sponsored defined contribution plans,* the Frequent-Trading Limits do not apply to:

- Purchases of shares with participant payroll or employer contributions or loan repayments.
- Purchases of shares with reinvested dividend or capital gains distributions.
- Distributions, loans, and in-service withdrawals from a plan.

- Redemptions of shares as part of a plan termination or at the direction of the plan.
- Transactions executed through the Vanguard Managed Account Program.
- Redemptions of shares to pay fund or account fees.
- Share or asset transfers or rollovers.
- Reregistrations of shares.
- Conversions of shares from one share class to another in the same fund.
- Exchange requests submitted by written request to Vanguard. (Exchange requests submitted by fax, if otherwise permitted, are subject to the limitations.)

*The following Vanguard fund accounts are also subject to the Frequent-Trading Limits: SEP-IRAs, SIMPLE IRAs, certain Individual 403(b)(7) Custodial Accounts, and Vanguard Individual 401(k) Plans.

Accounts Held by Institutions (Other Than Defined Contribution Plans). Vanguard will systematically monitor for frequent trading in institutional clients' accounts. If we detect suspicious trading activity, we will investigate and take appropriate action, which may include applying to a client's accounts the 30-day policy previously described, prohibiting a client's purchases of fund shares, and/or revoking the client's exchange privilege.

Accounts Held by Intermediaries. When intermediaries establish accounts in Vanguard funds for the benefit of their clients, we cannot always monitor the trading activity of the individual clients. However, we review trading activity at the intermediary (omnibus) level, and if we detect suspicious activity, we will investigate and take appropriate action. If necessary, Vanguard may prohibit additional purchases of fund shares by an intermediary, including for the benefit of certain of the intermediary's clients. Intermediaries also may monitor their clients' trading activities with respect to Vanguard funds.

For those Vanguard funds that charge purchase and/or redemption fees, intermediaries will be asked to assess these fees on client accounts and remit these fees to the funds. The application of purchase and redemption fees and Frequent-Trading Limits may vary among intermediaries. There are no assurances that Vanguard will successfully identify all intermediaries or that intermediaries will properly assess purchase and redemption fees or administer Frequent-Trading Limits. If you invest with Vanguard through an intermediary, please read that firm's materials carefully to learn of any other rules or fees that may apply.

Do not invest with Vanguard if you are a market-timer.

Financial Highlights

Financial highlights information is intended to help you understand a fund's performance for the past five years (or, if shorter, its period of operations). Certain information reflects financial results for a single fund share. Total return represents the rate that an investor would have earned or lost each period on an investment in a fund or share class (assuming reinvestment of all distributions). This information has been obtained from the financial statements audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, whose report, along with fund financial statements, is included in a fund's most recent annual Financial Statements and Other Information. You may obtain a free copy of a fund's latest disclosure documents upon request.

Vanguard Institutional Short-Term Bond Fund

	Year Ended September 30,				
For a Share Outstanding Throughout Each Period	2025	2024	2023	2022	2021
Net Asset Value, Beginning of Period	**$13.30**	**$12.92**	**$13.00**	**$13.94**	**$14.06**
Investment Operations					
Net Investment Income[1]	.607	.597	.442	.181	.165
Net Realized and Unrealized Gain (Loss) on Investments	—	.395	(.074)	(.855)	(.070)
Total from Investment Operations	.607	.992	.368	(.674)	.095
Distributions					
Dividends from Net Investment Income	(.607)	(.612)	(.448)	(.177)	(.165)
Distributions from Realized Capital Gains	—	—	—	(.089)	(.050)
Total Distributions	(.607)	(.612)	(.448)	(.266)	(.215)
Net Asset Value, End of Period	**$13.30**	**$13.30**	**$12.92**	**$13.00**	**$13.94**
Total Return	**4.68%**	**7.85%**	**2.86%**	**-4.89%**	**0.68%**
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	$6,182	$5,874	$8,154	$9,488	$9,649
Ratio of Total Expenses to Average Net Assets	0.02%	0.02%[2]	0.02%[2]	0.02%[2]	0.02%
Ratio of Net Investment Income to Average Net Assets	4.58%	4.56%	3.39%	1.35%	1.18%
Portfolio Turnover Rate	126%	112%	135%[3]	122%[3]	134%[3]

1 Calculated based on average shares outstanding.

2 The ratio of expenses to average net assets for the period net of reduction from custody fee offset arrangements was 0.02%.

3 Includes 0%, 5%, and 16%, respectively, attributable to mortgage-dollar-roll activity.

Vanguard Institutional Intermediate-Term Bond Fund

	Year Ended September 30,				
For a Share Outstanding Throughout Each Period	2025	2024	2023	2022	2021
Net Asset Value, Beginning of Period	**$21.71**	**$20.58**	**$20.89**	**$23.75**	**$24.31**
Investment Operations					
Net Investment Income[1]	.969	.895	.704	.370	.304
Net Realized and Unrealized Gain (Loss) on Investments	(.090)	1.135	(.306)	(2.693)	(.334)
Total from Investment Operations	.879	2.030	.398	(2.323)	(.030)
Distributions					
Dividends from Net Investment Income	(.969)	(.900)	(.708)	(.366)	(.304)
Distributions from Realized Capital Gains	—	—	—	(.171)	(.226)
Total Distributions	(.969)	(.900)	(.708)	(.537)	(.530)
Net Asset Value, End of Period	**$21.62**	**$21.71**	**$20.58**	**$20.89**	**$23.75**
Total Return	**4.20%**	**10.07%**	**1.88%**	**-9.93%**	**-0.13%**
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	$31,581	$31,524	$30,355	$30,318	$33,037
Ratio of Total Expenses to Average Net Assets	0.02%	0.02%[2]	0.02%[2]	0.02%[2]	0.02%
Ratio of Net Investment Income to Average Net Assets	4.53%	4.23%	3.34%	1.64%	1.27%
Portfolio Turnover Rate[3]	169%	228%	395%	426%	414%

1 Calculated based on average shares outstanding.

2 The ratio of expenses to average net assets for the period net of reduction from custody fee offset arrangements was 0.02%.

3 Includes 34%, 73%, 206%, 146%, and 151%, respectively, attributable to mortgage-dollar-roll activity.

Additional Information

A Precautionary Note to Investment Companies. Each Fund's shares are issued by registered investment companies, and therefore the acquisition of such shares by other investment companies and private funds is subject to the restrictions of Section 12(d)(1) of the Investment Company Act of 1940 (the 1940 Act). SEC Rule 12d1-4 under the 1940 Act permits registered investment companies to invest in other registered investment companies beyond the limits in Section 12(d)(1), subject to certain conditions, including that funds with different investment advisors must enter into a fund of funds investment agreement.

Forum Selection. The Trust's Bylaws designate Delaware courts as the exclusive forum for certain claims against or related to the Trust, a trustee, an officer, or other employee of the Trust, except that, unless the Trust otherwise consents in writing, the U.S. Federal District Courts are the exclusive forum for the resolution of complaints under the Securities Act of 1933 or the 1940 Act. These provisions may limit a shareholder's ability to bring a claim in a different forum and may result in increased shareholder costs in pursuing such a claim.

Shareholder Rights. Each Fund's Agreement and Declaration of Trust, as amended, requires a shareholder bringing a derivative action on behalf of the Trust that is subject to a pre-suit demand to collectively hold at least 10% of the outstanding shares of the Trust or at least 10% of the outstanding shares of the series or class to which the demand relates and to undertake to reimburse the Trust for the expense of any counsel or advisors used when considering the merits of the demand in the event that the board of trustees determines not to bring such action. In each case, these requirements do not apply to claims arising under the federal securities laws to the extent that any such federal securities laws, rules, or regulations do not permit such application. The Trust's Bylaws also provide that shareholders waive the right to trial by jury to the fullest extent permitted by law.

Joint Committed Credit Facility. Each Fund participates, along with other funds managed by Vanguard, in a committed credit facility provided by a syndicate of lenders pursuant to a credit agreement that may be renewed annually; each Vanguard fund is individually liable for its borrowings, if any, under the credit facility. The amount and terms of the committed credit facility are subject to approval by the Board and renegotiation with the lender syndicate on an annual basis.

Securities Market Indexes
Listed below are the broad-based securities market index and one or more additional indexes with similar investment characteristics as the Funds as referenced in the Funds' Average Annual Total Returns tables:

Bloomberg U.S. Government/Credit 1-3 Year ex Baa Index. An index that includes U.S. Treasury and agency obligations, as well as investment-grade corporate bonds, excluding issues rated Baa and below, all having maturities of 1 to 3 years.

Bloomberg U.S. Aggregate Bond Index. An index that is the broadest representation of the taxable U.S. bond market, including most U.S. Treasury, agency, corporate, mortgage-backed, asset-backed, and international dollar-denominated issues, all with investment-grade ratings (rated Baa3 or above by Moody's) and maturities of 1 year or more.

Bloomberg U.S. Aggregate Float Adjusted Index. An index that is the broadest representation of the taxable U.S. bond market, including most U.S. Treasury, agency, corporate, mortgage-backed, asset-backed, and international dollar-denominated issues, all with investment-grade ratings and maturities of 1 year or more. This Index weights its constituent securities based on the value of the constituent securities that are available for public trading, rather than the value of all constituent securities.

Bloomberg U.S. Intermediate Aggregate ex Baa Index. An index that represents a portion of the investment-grade taxable U.S. bond market, including U.S. Treasury and agency obligations, as well as corporate, mortgage-backed, and asset-backed securities, excluding issues rated Baa and below, all with maturities of 1 to 10 years.

Vanguard Fund	Inception Date	Newspaper Abbreviation	Vanguard Fund Number	CUSIP Number
Vanguard Institutional Short-Term Bond Fund	12/7/2004	VanInsShrtTBF	472	922020862
Vanguard Institutional Intermediate-Term Bond Fund	11/30/1997	VanInsIntTBF	465	922020854

Inception Date means the date on which the assets of a fund (or one of its share classes) are first invested in accordance with the fund's investment objective. For funds with a subscription period, the inception date is the day after that period ends. Investment performance is generally measured from the inception date.

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For More Information
If you would like more information about Vanguard Institutional Bond Funds, the following documents are available free upon request:

Annual/Semiannual Reports to Shareholders and Form N-CSR
Additional information about the Funds' investments is available in the Funds' annual and semiannual reports to shareholders and in Form N-CSR. In the annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the Funds' performance during their last fiscal year. In Form N-CSR, you will find the Funds' annual and semiannual financial statements.

Statement of Additional Information (SAI)
The SAI provides more detailed information about the Funds and is incorporated by reference into (and thus legally a part of) this prospectus.

To obtain a free copy of the latest annual or semiannual report , financial statements,or the SAI, or to request additional information about the Funds or other Vanguard funds, please visit *https://vgi.vg/fund-literature* or contact us as follows:

Telephone: 800-662-7447; Text telephone for people with hearing impairment: 800-749-7273

The Funds do not have an Internet website.

If you are a current Vanguard shareholder and would like information about your account, account transactions, and/or account statements, please call:

Client Services Department
Telephone: 800-662-2739; Text telephone for people with hearing impairment: 800-749-7273

Information Provided by the SEC
Reports and other information about the Funds are available in the EDGAR database on the SEC's website at sec.gov, or you can receive copies of this information, for a fee, by electronic request at the following email address: publicinfo@sec.gov.

Funds' Investment Company Act file number: 811-05628

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