

**Vanguard Target Retirement 2040 Fund
Investor Shares (VFORX)**

Annual Shareholder Report | September 30, 2024

This annual shareholder report contains important information about Vanguard Target Retirement 2040 Fund (the "Fund") for the period of October 1, 2023, to September 30, 2024. You can find additional information about the Fund at <https://personal1.vanguard.com/ngf-next-gen-form-webapp/fund-literature>. You can also request this information by contacting us at 800-662-7447.

What were the Fund costs for the last year?

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

Share Class Name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Investor Shares	\$9	0.08%

How did the Fund perform during the reporting period?

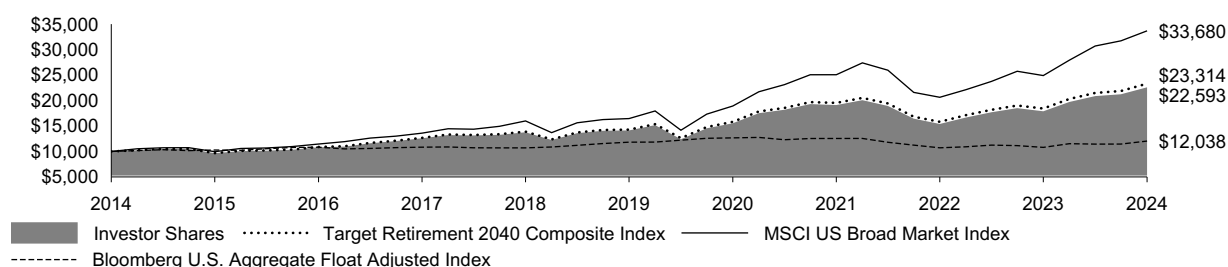
- For the 12 months ended September 30, 2024, the Fund performed roughly in line with its benchmark, the Target Retirement 2040 Composite Index.
- Global economic growth appeared relatively stable at around 3% during the period. With inflation moderating across much of the world, major central banks including the European Central Bank and the U.S. Federal Reserve began lowering policy rates. Stock and bond prices rose worldwide.
- The Fund automatically adjusts its asset mix over time, providing broad diversification while incrementally decreasing exposure to stocks and increasing exposure to bonds. The Fund continues to adjust for approximately seven years after its target date until its allocations match those of Vanguard Target Retirement Income Fund.
- As a fund of funds, the Fund's performance reflects the weighted average of its holdings' total returns, which ranged from 10.35% for Vanguard Total International Bond II Index Fund Institutional Shares to 35.27% for Vanguard Total Stock Market Index Fund Institutional Plus Shares.

How did the Fund perform over the past 10 years?

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

Cumulative Performance: September 30, 2014, Through September 30, 2024

Initial Investment of \$10,000



Average Annual Total Returns

	1 Year	5 Years	10 Years
Investor Shares	26.33%	9.85%	8.49%
Target Retirement 2040 Composite Index	26.51%	10.30%	8.83%
MSCI US Broad Market Index	35.26%	15.40%	12.91%
Bloomberg U.S. Aggregate Float Adjusted Index	11.47%	0.36%	1.87%

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

Fund Statistics (as of September 30, 2024)		Portfolio Composition % of Net Assets (as of September 30, 2024)	
Fund Net Assets (in millions)	\$93,115	Vanguard Total Stock Market Index Fund Institutional Plus Shares	46.3%
Number of Portfolio Holdings	7	Vanguard Total International Stock Index Fund Investor Shares	30.2%
Portfolio Turnover Rate	2%	Vanguard Total Bond Market II Index Fund Investor Shares	16.0%
Total Investment Advisory Fees (in thousands)	\$0	Vanguard Total International Bond II Index Fund Institutional Shares	6.9%
		Other Assets and Liabilities—Net	0.6%

Where can I find additional information about the Fund?

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

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Fund Information • 800-662-7447

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