Wells Fargo Stable Return Fund

Stable value fund

Investment objective

The Wells Fargo Stable Return Fund seeks to protect principal and provide investors with the potential to achieve returns higher than other conservative investments such as money market funds.

Investment strategy

The fund invests in instruments issued by highly rated financial institutions. These instruments include guaranteed investment contracts (GICs), bank investment contracts (BICs), and security-backed contracts (i.e., synthetic GICs). The investments selected for the fund are not expected to experience price fluctuations in most economic or interest rate environments. The fund’s management adds value by emphasizing security-backed contracts, selecting the best relative values among high-quality investment instruments, and building a broadly diversified stable value portfolio.

General Note

The inception date is based on the performance information provided on the fact sheet and does not represent the true inception date.

Benchmark

50% 90 Day Tbills/50% ML 1-3yrTreas

Growth of a $10,000 investment: January 31, 2005—December 31, 2014

Annual returns

Total returns

Periods Ended September 30, 2015

<table>
<thead>
<tr>
<th>Fund</th>
<th>Benchmark</th>
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<tbody>
<tr>
<td>Year to Date</td>
<td>One Year</td>
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<tr>
<td>0.37%</td>
<td>1.11%</td>
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<tr>
<td>0.16%</td>
<td>0.49%</td>
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The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors’ shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance.

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

Distribution by issuer—Bonds

- Other: 65.7%
- Treasury/Agency: 20.8%
- Asset-Backed: 13.4%
- Foreign: 0.1%
Plain talk about risk

A stable value fund investment does not constitute a balanced investment program. Although highly rated investments are selected for the fund, the contracts held by the fund are not guaranteed by the U.S. government, Vanguard, the trustee, or your retirement plan. The fund will seek to invest with a diversified selection of contract issuers. A stable value fund is designed as a low-risk investment but you could still lose money by investing in it. The primary risks of investing in the fund are:

Credit risk: The chance that an issuer will fail to pay interest and principal in a timely manner. Credit risk should be low for the fund because it invests mainly in investments that are considered high-quality.

Event Risk: The chance that a synthetic or traditional contract issuer will pay participant benefits at a value less than book value because of the occurrence of an event or condition which is outside the normal operation of the plan (for example, layoffs, plan amendments, sale of a division, participant withdrawals due to the plan sponsor’s insolvency or bankruptcy).

Income Risk: The possibility that a fund’s income will decline as a result of falling interest rates. Investments are generally made for terms of at least two to five years, on average, producing a rate of fund income that will be higher than that earned on shorter-maturity money market funds. But because it is influenced by average interest rates over a period of several years, the fund’s income yield may remain above or stay below current market yields during some time periods. Income risk will be moderately high for the fund.

Inflation Risk: The chance that fund returns will not keep pace with the cost of living.

Market risk: The chance that the fund’s price per share will change as a result of movements in market interest rates, resulting in gains or losses on investments made in the fund. The risk is minimized by investing primarily in investment contracts that enable the fund, under present accounting standards, to value its assets at book value. Most often associated with stock mutual funds, short-term market risk is low.

Note on frequent trading restrictions
Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to Vanguard.com for your employer plans or contact Participant Services at 800-523-1188 for additional information.

For more information about any fund offered, call 800-523-1188 to obtain a prospectus. Investment objectives, risks, charges, expenses, and other important information about a fund are contained in the prospectus; read and consider it carefully before investing.