



Vanguard®

Vanguard LifeStrategy® Funds Semiannual Report

April 30, 2011



Vanguard LifeStrategy Income Fund

Vanguard LifeStrategy Conservative Growth Fund

Vanguard LifeStrategy Moderate Growth Fund

Vanguard LifeStrategy Growth Fund

- > For the six months ended April 30, 2011, returns for the Vanguard LifeStrategy Funds ranged from almost 4% for the Income Fund to more than 13% for the Growth Fund.

- > U.S. equities outperformed their international counterparts for the period, while stocks significantly outpaced bonds.

- > Returns for the five underlying Vanguard funds represented in the LifeStrategy portfolios ranged from about 0% for the Total Bond Market II Index Fund to almost 18% for the Total Stock Market Index Fund.

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Please note: The opinions expressed in this report are just that—informed opinions. They should not be considered promises or advice. Also, please keep in mind that the information and opinions cover the period through the date on the front of this report. Of course, the risks of investing in your fund are spelled out in the prospectus.

See the Glossary for definitions of investment terms used in this report.

Cover photograph: Jean Maher.

Your Fund's Total Returns

Six Months Ended April 30, 2011

	Total Returns
Vanguard LifeStrategy Income Fund	3.91%
Income Composite Index	3.50
Income Composite Average	4.46
Vanguard LifeStrategy Conservative Growth Fund	7.06%
Conservative Growth Composite Index	6.67
Conservative Growth Composite Average	7.48
Vanguard LifeStrategy Moderate Growth Fund	10.21%
Moderate Growth Composite Index	9.69
Moderate Growth Composite Average	10.91
Vanguard LifeStrategy Growth Fund	13.55%
Growth Composite Index	12.97
Growth Composite Average	14.06

Total returns for the composite indexes are derived by applying the funds' target allocations to the results of the following benchmarks: for U.S. stocks, the MSCI US Broad Market Index; for international stocks, the MSCI EAFE Index through December 15, 2010, and the MSCI ACWI ex USA IMI Index thereafter; for bonds, the Barclays Capital U.S. Aggregate Float Adjusted Index; and for short-term investments, the Barclays Capital U.S. 1–3 Year Credit Index.

Each average is a blended composite that weights the return of the comparable mutual funds average for each asset class in proportion to the target weighting of the appropriate LifeStrategy Fund. All average returns for funds are derived from data provided by Lipper Inc. The Income Composite Average is weighted 60% fixed income funds average, 20% money market funds average, 14% general equity funds average, and 6% international funds average. The Conservative Growth Composite Average is weighted 40% fixed income funds average, 28% general equity funds average, 20% money market funds average, and 12% international funds average. The Moderate Growth Composite Average is weighted 42% general equity funds average, 40% fixed income funds average, and 18% international funds average. The Growth Composite Average is weighted 56% general equity funds average, 24% international funds average, and 20% fixed income funds average.



Chairman's Letter

Dear Shareholder,

Global stock markets continued to post impressive gains for the six months ended April 30, 2011. U.S. stocks fared better than international stocks, but both posted double-digit returns. The U.S. bond market was essentially flat for the period. In this investment environment, the four Vanguard LifeStrategy Funds performed as we might expect: The funds more heavily invested in stocks outperformed those with a heavier tilt toward bonds.

Despite turbulence in the bond market, the stock market's strong performance helped all four LifeStrategy Funds post gains, ranging from about 4% for Vanguard LifeStrategy Income Fund to more than 13% for Vanguard LifeStrategy Growth Fund. Vanguard LifeStrategy Moderate Growth Fund and Vanguard LifeStrategy Conservative Growth Fund fell in between, with returns of about 10% and 7%, respectively.

Vanguard Asset Allocation Fund represented about 20% of assets for each of the LifeStrategy Funds. The fund—which may vary its mix of assets in stocks, bonds, and cash—returned more than 12% for the six months, outperforming its benchmark by almost 4 percentage points and boosting results for all four LifeStrategy Funds.

The Asset Allocation Fund previously accounted for about 25% of each fund's assets. At the end of 2010, when we increased the funds' exposure to international stocks, we reduced their holdings in the U.S.-focused Asset Allocation Fund.

On April 30, the yields of the two more income-oriented LifeStrategy Funds, the Conservative Growth Fund and the Income Fund, were 2.25% and 2.54%, respectively. Both funds had yields of 2.30% six months ago.

Strong returns around the globe

The headlines were dominated by political upheaval, natural and nuclear disaster, and economic distress, but global stock

markets produced outstanding returns for the six months ended April 30. The broad U.S. stock market returned more than 17%. Although rising food and gasoline prices put pressure on consumer budgets, corporate earnings growth remained strong and the pace of new job creation bounced back from extremely depressed levels.

For U.S.-based investors, international stock markets produced a smaller but still robust six-month return of 12.44% in U.S. dollars. Almost half of this return reflected exchange-rate gains produced largely by strength in the euro and currencies in emerging economies.

Market Barometer

	Total Returns Periods Ended April 30, 2011		
	Six Months	One Year	Five Years (Annualized)
Stocks			
Russell 1000 Index (Large-caps)	17.12%	18.02%	3.30%
Russell 2000 Index (Small-caps)	23.73	22.20	3.89
Dow Jones U.S. Total Stock Market Index	17.28	18.40	3.65
MSCI All Country World Index ex USA (International)	12.44	19.73	3.55
Bonds			
Barclays Capital U.S. Aggregate Bond Index (Broad taxable market)	0.02%	5.36%	6.33%
Barclays Capital Municipal Bond Index (Broad tax-exempt market)	-1.68	2.20	4.52
Citigroup Three-Month U.S. Treasury Bill Index	0.06	0.15	2.02
CPI			
Consumer Price Index	2.83%	3.16%	2.22%

As the economy found its footing, rates edged higher

Rising longer-term interest rates put pressure on bond prices, which led to modest bond market returns for the six-month period. The broad taxable U.S. bond market returned about 0%. The broad municipal market returned -1.68%. The rise in rates reflected both confidence that the economic recovery would prove self-sustaining and thus nudge rates higher, and anxiety that higher rates would be necessary to provide some protection from inflation. Even so, inflation expectations remained subdued, as measured by the difference between the yields of inflation-protected and nominal U.S. Treasury bonds.

The return on short-term money market instruments such as the 3-month U.S. Treasury bill remained near 0%, consistent with the Federal Reserve Board's target for short-term rates.

A strong stock market powered the funds' returns

The LifeStrategy Funds are a series of broadly diversified, low-cost "funds of funds" that can provide a complete portfolio in a single fund. The four funds have different allocations to domestic and international stocks, bonds, and short-term reserves and target different levels of risk. Four underlying Vanguard funds are included in each of the four LifeStrategy Fund portfolios: Vanguard Total Stock

Expense Ratios

Your Fund Compared With Its Peer Group

	Acquired Fund Fees and Expenses	Peer Group Average
LifeStrategy Income Fund	0.18%	0.93%
LifeStrategy Conservative Growth Fund	0.19	1.01
LifeStrategy Moderate Growth Fund	0.19	1.20
LifeStrategy Growth Fund	0.20	1.28

The fund expense figures shown—drawn from the prospectus dated February 28, 2011—represent an estimate of the weighted average of the expense ratios and any transaction fees charged by the underlying mutual funds (the "acquired" funds) in which the LifeStrategy Funds invest. The LifeStrategy Funds do not charge any expenses or fees of their own. For the six months ended April 30, 2011, the annualized acquired fund fees and expenses were 0.18% for the LifeStrategy Income Fund, 0.20% for the LifeStrategy Conservative Growth Fund, 0.19% for the LifeStrategy Moderate Growth Fund, and 0.21% for the LifeStrategy Growth Fund.

Peer groups are the composites listed on page 1. Their expense figures are derived by applying the appropriate allocations to average expense ratios of these mutual fund peer groups: fixed income funds, general equity funds, international funds, and money market funds. Average expense ratios for these groups are derived from data provided by Lipper Inc. and capture information through year-end 2010.

Market Index Fund, Vanguard Total International Stock Index Fund, Vanguard Total Bond Market II Index Fund, and the Asset Allocation Fund. A fifth underlying fund, Vanguard Short-Term Investment-Grade Fund, also makes up part of the LifeStrategy Income and LifeStrategy Conservative Growth Funds.

Given that stocks significantly outperformed bonds during the six-month period, it's no surprise that the Growth Fund and the Moderate Growth Fund—which held about 86% and 66% of their assets, respectively, in stocks at the end of the period—outperformed their more conservative counterparts. The Conservative Growth Fund, whose equity holdings represented about 46% of assets at the end of the period, was the next in line with gains of about 7%. The Income Fund held only about 27% in equities as of the end of the period, but still managed to post a gain of almost 4%.

Of the underlying funds, the Total Stock Market Index Fund was the top performer for the period, returning about 18%, followed by the Asset Allocation Fund at about 13%, the Total International Stock Index Fund at about 12%, the Short-Term Investment-Grade Fund at about 1%, and the Total Bond Market II Index Fund at about 0%. (All returns are for Investor Shares.)

For most of the six months, the actively managed Asset Allocation Fund was invested 80% in stocks and 20% in bonds. Toward the end of the period, the advisor shifted to an allocation of 90% stocks and 10% bonds.

The Asset Allocation Fund's heavier tilt toward stocks helped it to outpace its benchmark, which maintains a consistent allocation of 65% stocks, as represented by the S&P 500 Index, and 35% bonds, as represented by the Barclays Capital U.S. Long Treasury Bond Index. The fund's performance helped all four LifeStrategy Funds outperform their benchmarks, which are composite indexes that reflect the funds' target allocations.

Volatility is inevitable, so focus on the future

While the stock market turned in impressive results for the most recent six-month period, the bond market's performance was flat. As investors, we've come to expect periods like this—when one asset class does better than another—as well as times when both stocks and bonds perform exceptionally well, quite poorly, or somewhere in between. The financial markets are unpredictable, and we can never be sure what they'll do next.

class does better than another—as well as times when both stocks and bonds perform exceptionally well, quite poorly, or somewhere in between. The financial markets are unpredictable, and we can never be sure what they'll do next.

At Vanguard, we believe that the best way to deal with the market's short-term volatility is to look beyond it and, instead, focus on the long term. We counsel investors to create an investment plan that includes a mix of stock, bond, and money market funds that is appropriate for their goals and risk tolerance—and to stick with that plan regardless of market conditions.

Each of Vanguard's LifeStrategy Funds, which offer a variety of asset mixes and low expenses, can provide a well-balanced portfolio on its own. With options ranging from conservative to much more aggressive, you can pick the fund that is best suited to your needs.

As always, thank you for entrusting your assets to Vanguard.

Sincerely,

A handwritten signature in black ink that reads "F. William McNabb III". The signature is written in a cursive style with a large, sweeping initial "F" and a distinct "III" at the end.

F. William McNabb III
Chairman and Chief Executive Officer
May 10, 2011

Your Fund's Performance at a Glance

October 31, 2010, Through April 30, 2011

	Starting Share Price	Ending Share Price	Distributions Per Share	
			Income Dividends	Capital Gains
Vanguard LifeStrategy Income Fund	\$14.15	\$14.47	\$0.192	\$0.034
Vanguard LifeStrategy Conservative Growth Fund	\$16.20	\$17.10	\$0.210	\$0.024
Vanguard LifeStrategy Moderate Growth Fund	\$19.22	\$20.85	\$0.282	\$0.030
Vanguard LifeStrategy Growth Fund	\$21.28	\$23.83	\$0.299	\$0.009

Target and Actual Asset Allocations

Percentages as of April 30, 2011

	Stocks		Bonds		Short-Term Reserves	
	Target	Actual	Target	Actual	Target	Actual
LifeStrategy Income Fund	22.5%	26.9%	57.5%	53.0%	20.0%	20.1%
LifeStrategy Conservative Growth Fund	42.5%	46.3%	37.5%	33.0%	20.0%	20.7%
LifeStrategy Moderate Growth Fund	62.5%	66.4%	37.5%	33.6%	0.0%	0.0%
LifeStrategy Growth Fund	82.5%	86.2%	17.5%	13.8%	0.0%	0.0%

Actual international stock positions for the Income, Conservative Growth, Moderate Growth, and Growth Funds equaled 6.7%, 12.5%, 18.5%, and 24.5% of assets, respectively.

LifeStrategy Income Fund

Fund Profile

As of April 30, 2011

Total Fund Characteristics

Ticker Symbol	VASIX
30-Day SEC Yield	2.54%
Acquired Fund Fees and Expenses ¹	0.18%

Allocation to Underlying Vanguard Funds

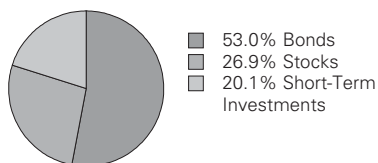
Vanguard Total Bond Market II Index Fund Investor Shares	51.0%
Vanguard Asset Allocation Fund Investor Shares	20.3
Vanguard Short-Term Investment-Grade Fund Investor Shares	20.1
Vanguard Total International Stock Index Fund Investor Shares	6.7
Vanguard Total Stock Market Index Fund Investor Shares	1.9

Total Fund Volatility Measures

	Income Composite Index	Barclays Aggregate Bond Index
R-Squared	0.98	0.37
Beta	1.18	1.07

These measures show the degree and timing of the fund's fluctuations compared with the indexes over 36 months.

Fund Asset Allocation

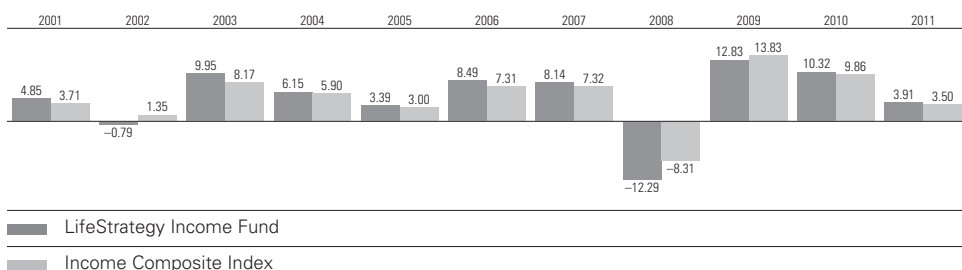


¹ This figure—drawn from the prospectus dated February 28, 2011—represents an estimate of the weighted average of the expense ratios and any transaction fees charged by the underlying mutual funds (the “acquired” funds) in which the LifeStrategy Income Fund invests. The LifeStrategy Income Fund does not charge any expenses or fees of its own. For the six months ended April 30, 2011, the annualized acquired fund fees and expenses were 0.18%.

Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. (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.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on fund distributions or on the sale of fund shares.

Fiscal-Year Total Returns (%): October 31, 2000, Through April 30, 2011



Income Composite Index: Weighted 60% Barclays Capital U.S. Aggregate Bond Index, 20% Dow Jones U.S. Total Stock Market Index, and 20% Citigroup Three-Month Treasury Bill Index through August 31, 2003; 60% Barclays Capital U.S. Aggregate Bond Index, 20% Dow Jones U.S. Total Stock Market Index, and 20% Barclays Capital U.S. 1-3 Year Credit Bond Index through April 22, 2005; 60% Barclays Capital U.S. Aggregate Bond Index through December 31, 2009, and Barclays Capital U.S. Aggregate Float Adjusted Index thereafter, 20% MSCI US Broad Market Index, and 20% Barclays Capital U.S. 1-3 Year Credit Bond Index through December 15, 2010; and 60% Barclays Capital U.S. Aggregate Float Adjusted Index, 20% Barclays Capital U.S. 1-3 Year Credit Bond Index, 14% MSCI US Broad Market Index, and 6% MSCI ACWI ex USA IMI Index thereafter. MSCI international benchmark returns are adjusted for withholding taxes applicable to Luxembourg holding companies.

Note: For 2011, performance data reflect the six months ended April 30, 2011.

Average Annual Total Returns: Periods Ended March 31, 2011

This table presents returns through the latest calendar quarter—rather than through the end of the fiscal period. Securities and Exchange Commission rules require that we provide this information.

	Inception Date	One Year	Five Years	Ten Years		
				Income	Capital	Total
LifeStrategy Income Fund	9/30/1994	8.11%	4.85%	3.82%	1.19%	5.01%

See Financial Highlights for dividend and capital gains information.

Financial Statements (unaudited)

Statement of Net Assets

As of April 30, 2011

The fund reports a complete list of its holdings in regulatory filings four times in each fiscal year, at the quarter-ends. For the second and fourth fiscal quarters, the lists appear in the fund's semiannual and annual reports to shareholders. For the first and third fiscal quarters, the fund files the lists with the Securities and Exchange Commission on Form N-Q. Shareholders can look up the fund's Forms N-Q on the SEC's website at sec.gov. Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room (see the back cover of this report for further information).

	Shares	Market Value* (\$000)
Investment Companies (99.9%)		
U.S. Stock Fund (1.9%)		
Vanguard Total Stock Market Index Fund Investor Shares	1,337,197	46,040
International Stock Fund (6.7%)		
Vanguard Total International Stock Index Fund Investor Shares	9,506,325	162,368
Balanced Fund (20.3%)		
Vanguard Asset Allocation Fund Investor Shares	18,549,370	490,445
Bond Fund (50.9%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	116,407,826	1,229,267
Short-Term Bond Fund (20.1%)		
Vanguard Short-Term Investment-Grade Fund Investor Shares	44,996,469	485,062
Total Investment Companies (Cost \$2,188,402)		2,413,182
Temporary Cash Investment (0.1%)		
Money Market Fund (0.1%)		
¹ Vanguard Market Liquidity Fund, 0.179% (Cost \$2,056)	2,056,311	2,056
Total Investments (100.0%) (Cost \$2,190,458)		2,415,238
Other Assets and Liabilities (0.0%)		
Other Assets		8,069
Liabilities		(9,170)
		(1,101)
Net Assets (100%)		
Applicable to 166,850,909 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)		2,414,137
Net Asset Value Per Share		\$14.47

LifeStrategy Income Fund

At April 30, 2011, net assets consisted of:

	Amount (\$000)
Paid-in Capital	2,183,479
Undistributed Net Investment Income	4,659
Accumulated Net Realized Gains	1,219
Unrealized Appreciation (Depreciation)	224,780
Net Assets	2,414,137

• See Note A in Notes to Financial Statements.

1 Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown for Vanguard Market Liquidity Fund is the 7-day yield.

See accompanying Notes, which are an integral part of the Financial Statements.

Statement of Operations

	Six Months Ended April 30, 2011
	(\$000)
Investment Income	
Income	
Income Distributions Received	30,975
Net Investment Income—Note B	30,975
Realized Net Gain (Loss)	
Capital Gain Distributions Received	9,482
Investment Securities Sold	28,449
Realized Net Gain (Loss)	37,931
Change in Unrealized Appreciation (Depreciation) of Investment Securities	21,103
Net Increase (Decrease) in Net Assets Resulting from Operations	90,009

See accompanying Notes, which are an integral part of the Financial Statements.

Statement of Changes in Net Assets

	Six Months Ended April 30, 2011	Year Ended October 31, 2010
	(\$000)	(\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	30,975	57,632
Realized Net Gain (Loss)	37,931	502
Change in Unrealized Appreciation (Depreciation)	21,103	138,741
Net Increase (Decrease) in Net Assets Resulting from Operations	90,009	196,875
Distributions		
Net Investment Income	(31,163)	(57,384)
Realized Capital Gain ¹	(5,458)	—
Total Distributions	(36,621)	(57,384)
Capital Share Transactions		
Issued	327,345	634,215
Issued in Lieu of Cash Distributions	34,464	53,652
Redeemed	(252,066)	(360,822)
Net Increase (Decrease) from Capital Share Transactions	109,743	327,045
Total Increase (Decrease)	163,131	466,536
Net Assets		
Beginning of Period	2,251,006	1,784,470
End of Period ²	2,414,137	2,251,006

¹ Includes fiscal 2011 short-term gain distributions totaling \$5,458,000. Short-term gain distributions are treated as ordinary income dividends for tax purposes.

² Net Assets—End of Period includes undistributed net investment income of \$4,659,000 and \$4,847,000.

Financial Highlights

For a Share Outstanding Throughout Each Period	Six Months Ended April 30, 2011	Year Ended October 31,				
		2010	2009	2008	2007	2006
Net Asset Value, Beginning of Period	\$14.15	\$13.20	\$12.13	\$14.44	\$13.97	\$13.38
Investment Operations						
Net Investment Income	.190	.388	.440	.555	.570	.530
Capital Gain Distributions Received	.057	—	—	—	—	—
Net Realized and Unrealized Gain (Loss) on Investments	.299	.954	1.081	(2.266)	.538	.580
Total from Investment Operations	.546	1.342	1.521	(1.711)	1.108	1.110
Distributions						
Dividends from Net Investment Income	(.192)	(.392)	(.451)	(.570)	(.570)	(.520)
Distributions from Realized Capital Gains	(.034)	—	—	(.029)	(.068)	—
Total Distributions	(.226)	(.392)	(.451)	(.599)	(.638)	(.520)
Net Asset Value, End of Period	\$14.47	\$14.15	\$13.20	\$12.13	\$14.44	\$13.97
Total Return¹	3.91%	10.32%	12.83%	-12.29%	8.14%	8.49%
Ratios/Supplemental Data						
Net Assets, End of Period (Millions)	\$2,414	\$2,251	\$1,784	\$1,642	\$1,885	\$1,666
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—	—
Acquired Fund Fees and Expenses	0.18%	0.18%	0.23%	0.22%	0.24%	0.25%
Ratio of Net Investment Income to Average Net Assets	2.61%	2.89%	3.55%	4.00%	4.07%	3.85%
Portfolio Turnover Rate	15%	9%	27% ²	22%	8%	14%

The expense ratio, acquired fund fees and expenses, net income ratio, and turnover rate for the current period have been annualized.

1 Total returns do not include account service fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable account service fees.

2 Excludes the value of mutual fund shares delivered and received in connection with a change in the fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the fund to incur transaction costs.

Notes to Financial Statements

Vanguard LifeStrategy Income Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. stocks, international stocks, bonds, and short-term reserves.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. mutual funds. The fund consistently follows such policies in preparing its financial statements.

1. **Security Valuation:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Federal Income Taxes:** The fund intends to continue to qualify as a regulated investment company and distribute all of its taxable income. Management has analyzed the fund's tax positions taken for all open federal income tax years (October 31, 2007–2010), and for the period ended April 30, 2011, and has concluded that no provision for federal income tax is required in the fund's financial statements.

3. **Distributions:** Distributions to shareholders are recorded on the ex-dividend date.

4. **Other:** Income and capital gain distributions received are recorded on the ex-dividend date. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

B. Under a service agreement, The Vanguard Group furnishes corporate management, administrative, marketing, and distribution services to the fund. The service agreement provides that the fund's expenses may be reduced or eliminated to the extent of savings realized by the Vanguard funds by the operation of the fund. Accordingly, all incremental expenses for services provided by Vanguard and all other expenses incurred by the fund during the period ended April 30, 2011, were borne by the funds in which the fund invests. The fund's trustees and officers are also directors and officers of Vanguard and the funds in which the fund invests.

C. Various inputs may be used to determine the value of the fund's investments. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1—Quoted prices in active markets for identical securities.

Level 2—Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3—Significant unobservable inputs (including the fund's own assumptions used to determine the fair value of investments).

At April 30, 2011, 100% of the fund's investments were valued based on Level 1 inputs.

D. Distributions are determined on a tax basis and may differ from net investment income and realized capital gains for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified among capital accounts in the financial statements to reflect their tax character. Temporary differences arise when certain items of income, expense, gain, or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. Differences in classification may also result from the treatment of short-term gains as ordinary income for tax purposes.

The fund's tax-basis capital gains and losses are determined only at the end of each fiscal year. For tax purposes, at October 31, 2010, the fund had available capital loss carryforwards totaling \$30,136,000 to offset future net capital gains of \$7,531,000 through October 31, 2016, and \$22,605,000 through October 31, 2017. The fund will use these capital losses to offset net taxable capital gains, if any, realized during the year ending October 31, 2011; should the fund realize net capital losses for the year, the losses will be added to the loss carryforward balance above. Short-term capital gain distributions received are treated as ordinary income for tax purposes, and cannot be offset by capital losses. Capital gain distributions paid during the six months ended April 30, 2011, are from short-term gain distributions received from Vanguard Total Bond Market II Index Fund.

At April 30, 2011, the cost of investment securities for tax purposes was \$2,190,458,000. Net unrealized appreciation of investment securities for tax purposes was \$224,780,000, consisting entirely of unrealized gains on securities that had risen in value since their purchase.

E. During the six months ended April 30, 2011, the fund purchased \$391,454,000 of investment securities and sold \$262,738,000 of investment securities, other than temporary cash investments.

F. Capital shares issued and redeemed were:

	Six Months Ended April 30, 2011	Year Ended October 31, 2010
	Shares (000)	Shares (000)
Issued	23,102	46,489
Issued in Lieu of Cash Distributions	2,448	3,943
Redeemed	(17,809)	(26,475)
Net Increase (Decrease) in Shares Outstanding	7,741	23,957

G. In preparing the financial statements as of April 30, 2011, management considered the impact of subsequent events for potential recognition or disclosure in these financial statements.

LifeStrategy Conservative Growth Fund

Fund Profile

As of April 30, 2011

Total Fund Characteristics

Ticker Symbol	VSCGX
30-Day SEC Yield	2.25%
Acquired Fund Fees and Expenses ¹	0.19%

Allocation to Underlying Vanguard Funds

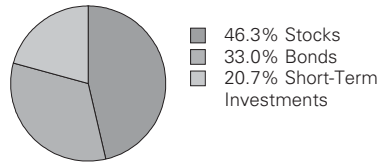
Vanguard Total Bond Market II Index Fund Investor Shares	31.0%
Vanguard Short-Term Investment-Grade Fund Investor Shares	20.7
Vanguard Asset Allocation Fund Investor Shares	20.2
Vanguard Total Stock Market Index Fund Investor Shares	15.6
Vanguard Total International Stock Index Fund Investor Shares	12.5

Total Fund Volatility Measures

	Conservative Growth Composite Index	DJ U.S. Total Market Index
R-Squared	0.99	0.94
Beta	1.13	0.50

These measures show the degree and timing of the fund's fluctuations compared with the indexes over 36 months.

Fund Asset Allocation

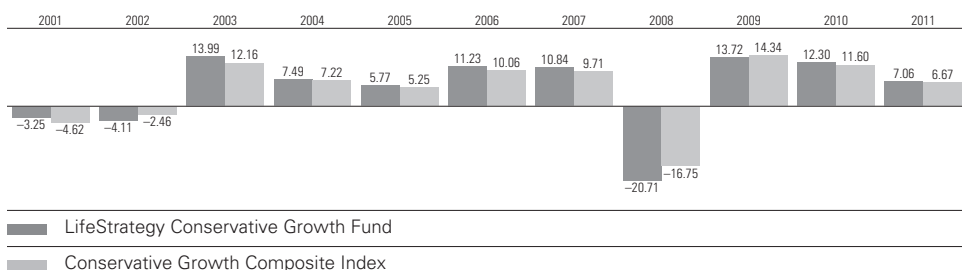


¹ This figure—drawn from the prospectus dated February 28, 2011—represents an estimate of the weighted average of the expense ratios and any transaction fees charged by the underlying mutual funds (the “acquired” funds) in which the LifeStrategy Conservative Growth Fund invests. The LifeStrategy Conservative Growth Fund does not charge any expenses or fees of its own. For the six months ended April 30, 2011, the annualized acquired fund fees and expenses were 0.20%.

Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. (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.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on fund distributions or on the sale of fund shares.

Fiscal-Year Total Returns (%): October 31, 2000, Through April 30, 2011



Conservative Growth Composite Index: Weighted 40% Barclays Capital U.S. Aggregate Bond Index, 35% Dow Jones U.S. Total Stock Market Index, 20% Citigroup Three-Month Treasury Bill Index, and 5% MSCI EAFE Index through August 31, 2003; 40% Barclays Capital U.S. Aggregate Bond Index, 35% Dow Jones U.S. Total Stock Market Index, 20% Barclays Capital U.S. 1-3 Year Credit Bond Index, and 5% MSCI EAFE Index through April 22, 2005; 40% Barclays Capital U.S. Aggregate Bond Index through December 31, 2009, and Barclays Capital U.S. Aggregate Float Adjusted Index thereafter, 35% MSCI US Broad Market Index, 20% Barclays Capital U.S. 1-3 Year Credit Bond Index, and 5% MSCI EAFE Index through December 15, 2010; and 40% Barclays Capital U.S. Aggregate Float Adjusted Index, 28% MSCI US Broad Market Index, 20% Barclays Capital U.S. 1-3 Year Credit Bond Index, and 12% MSCI ACWI ex USA IMI Index thereafter. MSCI international benchmark returns are adjusted for withholding taxes applicable to Luxembourg holding companies.

Note: For 2011, performance data reflect the six months ended April 30, 2011.

Average Annual Total Returns: Periods Ended March 31, 2011

This table presents returns through the latest calendar quarter—rather than through the end of the fiscal period. Securities and Exchange Commission rules require that we provide this information.

	Inception Date	One Year	Five Years	Ten Years		
				Income	Capital	Total
LifeStrategy Conservative Growth Fund	9/30/1994	10.40%	4.42%	3.28%	1.83%	5.11%

See Financial Highlights for dividend and capital gains information.

Financial Statements (unaudited)

Statement of Net Assets

As of April 30, 2011

The fund reports a complete list of its holdings in regulatory filings four times in each fiscal year, at the quarter-ends. For the second and fourth fiscal quarters, the lists appear in the fund's semiannual and annual reports to shareholders. For the first and third fiscal quarters, the fund files the lists with the Securities and Exchange Commission on Form N-Q. Shareholders can look up the fund's Forms N-Q on the SEC's website at sec.gov. Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room (see the back cover of this report for further information).

	Shares	Market Value* (\$000)
Investment Companies (100.0%)		
U.S. Stock Fund (15.6%)		
Vanguard Total Stock Market Index Fund Investor Shares	31,228,515	1,075,198
International Stock Fund (12.5%)		
Vanguard Total International Stock Index Fund Investor Shares	50,437,728	861,476
Balanced Fund (20.2%)		
Vanguard Asset Allocation Fund Investor Shares	52,496,611	1,388,010
Bond Fund (31.0%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	202,141,685	2,134,616
Short-Term Bond Fund (20.7%)		
Vanguard Short-Term Investment-Grade Fund Investor Shares	132,459,875	1,427,918
Total Investment Companies (Cost \$5,842,481)		6,887,218
Other Assets and Liabilities (0.0%)		
Other Assets		31,970
Liabilities		(30,994)
		976
Net Assets (100%)		
Applicable to 402,815,815 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)		6,888,194
Net Asset Value Per Share		\$17.10

LifeStrategy Conservative Growth Fund

At April 30, 2011, net assets consisted of:

	Amount (\$000)
Paid-in Capital	5,938,001
Undistributed Net Investment Income	9,634
Accumulated Net Realized Losses	(104,178)
Unrealized Appreciation (Depreciation)	1,044,737
Net Assets	6,888,194

• See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard.

See accompanying Notes, which are an integral part of the Financial Statements.

Statement of Operations

	Six Months Ended April 30, 2011
	(\$000)
Investment Income	
Income	
Income Distributions Received	82,729
Net Investment Income—Note B	82,729
Realized Net Gain (Loss)	
Capital Gain Distributions Received	18,698
Investment Securities Sold	15,307
Realized Net Gain (Loss)	34,005
Change in Unrealized Appreciation (Depreciation) of Investment Securities	334,646
Net Increase (Decrease) in Net Assets Resulting from Operations	451,380

Statement of Changes in Net Assets

	Six Months Ended April 30, 2011	Year Ended October 31, 2010
	(\$000)	(\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	82,729	154,564
Realized Net Gain (Loss)	34,005	1,136
Change in Unrealized Appreciation (Depreciation)	334,646	523,512
Net Increase (Decrease) in Net Assets Resulting from Operations	451,380	679,212
Distributions		
Net Investment Income	(82,863)	(154,835)
Realized Capital Gain ¹	(9,424)	—
Total Distributions	(92,287)	(154,835)
Capital Share Transactions		
Issued	732,105	1,168,235
Issued in Lieu of Cash Distributions	89,634	150,155
Redeemed	(608,472)	(1,013,845)
Net Increase (Decrease) from Capital Share Transactions	213,267	304,545
Total Increase (Decrease)	572,360	828,922
Net Assets		
Beginning of Period	6,315,834	5,486,912
End of Period²	6,888,194	6,315,834

¹ Includes fiscal 2011 short-term gain distributions totaling \$9,424,000. Short-term gain distributions are treated as ordinary income dividends for tax purposes.

² Net Assets—End of Period includes undistributed net investment income of \$9,634,000 and \$9,768,000.

Financial Highlights

For a Share Outstanding Throughout Each Period	Six Months Ended April 30, 2011	Year Ended October 31,				
		2010	2009	2008	2007	2006
Net Asset Value, Beginning of Period	\$16.20	\$14.81	\$13.46	\$17.61	\$16.43	\$15.24
Investment Operations						
Net Investment Income	.209	.406	.439	.568	.580	.500
Capital Gain Distributions Received	.047	—	—	—	—	—
Net Realized and Unrealized Gain (Loss) on Investments	.878	1.392	1.359	(4.116)	1.170	1.180
Total from Investment Operations	1.134	1.798	1.798	(3.548)	1.750	1.680
Distributions						
Dividends from Net Investment Income	(.210)	(.408)	(.448)	(.592)	(.570)	(.490)
Distributions from Realized Capital Gains	(.024)	—	—	(.010)	—	—
Total Distributions	(.234)	(.408)	(.448)	(.602)	(.570)	(.490)
Net Asset Value, End of Period	\$17.10	\$16.20	\$14.81	\$13.46	\$17.61	\$16.43
Total Return¹	7.06%	12.30%	13.72%	-20.71%	10.84%	11.23%
Ratios/Supplemental Data						
Net Assets, End of Period (Millions)	\$6,888	\$6,316	\$5,487	\$4,843	\$7,044	\$5,326
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—	—
Acquired Fund Fees and Expenses	0.20%	0.19%	0.24%	0.22%	0.24%	0.26%
Ratio of Net Investment Income to Average Net Assets	2.35%	2.63%	3.23%	3.52%	3.40%	3.21%
Portfolio Turnover Rate	19%	15%	29% ²	22%	10%	4%

The expense ratio, acquired fund fees and expenses, net income ratio, and turnover rate for the current period have been annualized.

1 Total returns do not include account service fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable account service fees.

2 Excludes the value of mutual fund shares delivered and received in connection with a change in the fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the fund to incur transaction costs.

Notes to Financial Statements

Vanguard LifeStrategy Conservative Growth Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. stocks, international stocks, bonds, and short-term reserves.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. mutual funds. The fund consistently follows such policies in preparing its financial statements.

1. **Security Valuation:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Federal Income Taxes:** The fund intends to continue to qualify as a regulated investment company and distribute all of its taxable income. Management has analyzed the fund's tax positions taken for all open federal income tax years (October 31, 2007–2010), and for the period ended April 30, 2011, and has concluded that no provision for federal income tax is required in the fund's financial statements.

3. **Distributions:** Distributions to shareholders are recorded on the ex-dividend date.

4. **Other:** Income and capital gain distributions received are recorded on the ex-dividend date. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

B. Under a service agreement, The Vanguard Group furnishes corporate management, administrative, marketing, and distribution services to the fund. The service agreement provides that the fund's expenses may be reduced or eliminated to the extent of savings realized by the Vanguard funds by the operation of the fund. Accordingly, all incremental expenses for services provided by Vanguard and all other expenses incurred by the fund during the period ended April 30, 2011, were borne by the funds in which the fund invests. The fund's trustees and officers are also directors and officers of Vanguard and the funds in which the fund invests.

C. Various inputs may be used to determine the value of the fund's investments. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1—Quoted prices in active markets for identical securities.

Level 2—Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3—Significant unobservable inputs (including the fund's own assumptions used to determine the fair value of investments).

At April 30, 2011, 100% of the fund's investments were valued based on Level 1 inputs.

D. Distributions are determined on a tax basis and may differ from net investment income and realized capital gains for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified among capital accounts in the financial statements to reflect their tax character. Temporary differences arise when certain items of income, expense, gain, or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. Differences in classification may also result from the treatment of short-term gains as ordinary income for tax purposes.

The fund's tax-basis capital gains and losses are determined only at the end of each fiscal year. For tax purposes, at October 31, 2010, the fund had available capital loss carryforwards totaling \$128,619,000 to offset future net capital gains of \$58,575,000 through October 31, 2016, \$69,127,000 through October 31, 2017, and \$917,000 through October 31, 2018. The fund will use these capital losses to offset net taxable capital gains, if any, realized during the year ending October 31, 2011; should the fund realize net capital losses for the year, the losses will be added to the loss carryforward balance above. Short-term capital gain distributions received are treated as ordinary income for tax purposes, and cannot be offset by capital losses. Capital gain distributions paid during the six months ended April 30, 2011, are from short-term gain distributions received from Vanguard Total Bond Market II Index Fund.

At April 30, 2011, the cost of investment securities for tax purposes was \$5,842,481,000. Net unrealized appreciation of investment securities for tax purposes was \$1,044,737,000, consisting entirely of unrealized gains on securities that had risen in value since their purchase.

E. During the six months ended April 30, 2011, the fund purchased \$1,158,238,000 of investment securities and sold \$927,105,000 of investment securities, other than temporary cash investments.

F. Capital shares issued and redeemed were:

	Six Months Ended April 30, 2011	Year Ended October 31, 2010
	Shares (000)	Shares (000)
Issued	44,223	75,603
Issued in Lieu of Cash Distributions	5,448	9,717
Redeemed	(36,829)	(65,788)
Net Increase (Decrease) in Shares Outstanding	12,842	19,532

G. In preparing the financial statements as of April 30, 2011, management considered the impact of subsequent events for potential recognition or disclosure in these financial statements.

LifeStrategy Moderate Growth Fund

Fund Profile

As of April 30, 2011

Total Fund Characteristics

Ticker Symbol	VSMGX
30-Day SEC Yield	2.00%
Acquired Fund Fees and Expenses ¹	0.19%

Allocation to Underlying Vanguard Funds

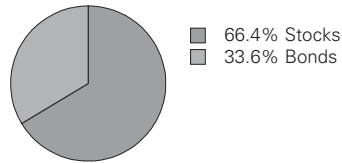
Vanguard Total Bond Market II Index Fund Investor Shares	31.6%
Vanguard Total Stock Market Index Fund Investor Shares	29.8
Vanguard Asset Allocation Fund Investor Shares	20.1
Vanguard Total International Stock Index Fund Investor Shares	18.5

Total Fund Volatility Measures

	Moderate Growth Composite Index	DJ U.S. Total Market Index
R-Squared	1.00	0.97
Beta	1.09	0.68

These measures show the degree and timing of the fund's fluctuations compared with the indexes over 36 months.

Fund Asset Allocation

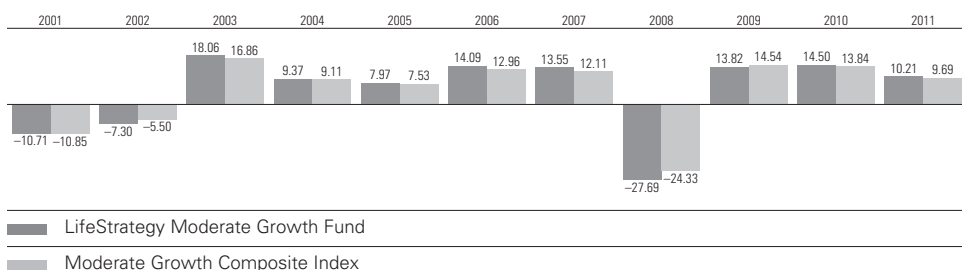


¹ This figure—drawn from the prospectus dated February 28, 2011—represents an estimate of the weighted average of the expense ratios and any transaction fees charged by the underlying mutual funds (the “acquired” funds) in which the LifeStrategy Moderate Growth Fund invests. The LifeStrategy Moderate Growth Fund does not charge any expenses or fees of its own. For the six months ended April 30, 2011, the annualized acquired fund fees and expenses were 0.19%.

Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. (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.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on fund distributions or on the sale of fund shares.

Fiscal-Year Total Returns (%): October 31, 2000, Through April 30, 2011



Moderate Growth Composite Index: Weighted 50% Dow Jones U.S. Total Stock Market Index, 40% Barclays Capital U.S. Aggregate Bond Index, and 10% MSCI EAFE Index through April 22, 2005; 50% MSCI US Broad Market Index, 40% Barclays Capital U.S. Aggregate Bond Index through December 31, 2009, and Barclays Capital U.S. Aggregate Float Adjusted Index thereafter, and 10% MSCI EAFE Index through December 15, 2010; and 42% MSCI US Broad Market Index, 40% Barclays Capital U.S. Aggregate Float Adjusted Index, and 18% MSCI ACWI ex USA IMI Index thereafter. MSCI international benchmark returns are adjusted for withholding taxes applicable to Luxembourg holding companies.

Note: For 2011, performance data reflect the six months ended April 30, 2011.

Average Annual Total Returns: Periods Ended March 31, 2011

This table presents returns through the latest calendar quarter—rather than through the end of the fiscal period. Securities and Exchange Commission rules require that we provide this information.

	Inception Date	One Year	Five Years	Ten Years		
				Income	Capital	Total
LifeStrategy Moderate Growth Fund	9/30/1994	13.02%	4.03%	2.79%	2.43%	5.22%

See Financial Highlights for dividend and capital gains information.

Financial Statements (unaudited)

Statement of Net Assets

As of April 30, 2011

The fund reports a complete list of its holdings in regulatory filings four times in each fiscal year, at the quarter-ends. For the second and fourth fiscal quarters, the lists appear in the fund's semiannual and annual reports to shareholders. For the first and third fiscal quarters, the fund files the lists with the Securities and Exchange Commission on Form N-Q. Shareholders can look up the fund's Forms N-Q on the SEC's website at sec.gov. Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room (see the back cover of this report for further information).

	Shares	Market Value* (\$000)
Investment Companies (100.0%)		
U.S. Stock Fund (29.8%)		
Vanguard Total Stock Market Index Fund Investor Shares	77,302,935	2,661,540
International Stock Fund (18.5%)		
Vanguard Total International Stock Index Fund Investor Shares	96,488,893	1,648,030
Balanced Fund (20.1%)		
Vanguard Asset Allocation Fund Investor Shares	67,721,119	1,790,546
Bond Fund (31.6%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	266,667,871	2,816,013
Total Investment Companies (Cost \$6,955,521)		8,916,129
Other Assets and Liabilities (0.0%)		
Other Assets		36,949
Liabilities		(34,013)
		2,936
Net Assets (100%)		
Applicable to 427,807,751 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)		8,919,065
Net Asset Value Per Share		\$20.85

At April 30, 2011, net assets consisted of:

	Amount (\$000)
Paid-in Capital	7,039,301
Undistributed Net Investment Income	36,990
Accumulated Net Realized Losses	(117,834)
Unrealized Appreciation (Depreciation)	1,960,608
Net Assets	8,919,065

• See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard.

See accompanying Notes, which are an integral part of the Financial Statements.

Statement of Operations

Six Months Ended
April 30, 2011

	(\$000)
Investment Income	
Income	
Income Distributions Received	100,669
Net Investment Income—Note B	100,669
Realized Net Gain (Loss)	
Capital Gain Distributions Received	17,139
Investment Securities Sold	82,486
Realized Net Gain (Loss)	99,625
Change in Unrealized Appreciation (Depreciation) of Investment Securities	624,768
Net Increase (Decrease) in Net Assets Resulting from Operations	825,062

Statement of Changes in Net Assets

	Six Months Ended April 30, 2011	Year Ended October 31, 2010
	(\$000)	(\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	100,669	187,165
Realized Net Gain (Loss)	99,625	(10,517)
Change in Unrealized Appreciation (Depreciation)	624,768	866,656
Net Increase (Decrease) in Net Assets Resulting from Operations	825,062	1,043,304
Distributions		
Net Investment Income	(119,235)	(174,437)
Realized Capital Gain ¹	(12,685)	—
Total Distributions	(131,920)	(174,437)
Capital Share Transactions		
Issued	812,067	1,137,142
Issued in Lieu of Cash Distributions	129,506	171,558
Redeemed	(765,061)	(1,754,214)
Net Increase (Decrease) from Capital Share Transactions	176,512	(445,514)
Total Increase (Decrease)	869,654	423,353
Net Assets		
Beginning of Period	8,049,411	7,626,058
End of Period ²	8,919,065	8,049,411

¹ Includes fiscal 2011 short-term gain distributions totaling \$12,685,000. Short-term gain distributions are treated as ordinary income dividends for tax purposes.

² Net Assets—End of Period includes undistributed net investment income of \$36,990,000 and \$55,556,000.

Financial Highlights

For a Share Outstanding Throughout Each Period	Six Months Ended April 30, 2011	Year Ended October 31,				
		2010	2009	2008	2007	2006
Net Asset Value, Beginning of Period	\$19.22	\$17.16	\$15.56	\$22.21	\$20.09	\$18.09
Investment Operations						
Net Investment Income	.235	.431	.450	.607	.580	.510
Capital Gain Distributions Received	.040	—	—	—	—	—
Net Realized and Unrealized Gain (Loss) on Investments	1.667	2.023	1.632	(6.606)	2.100	1.990
Total from Investment Operations	1.942	2.454	2.082	(5.999)	2.680	2.500
Distributions						
Dividends from Net Investment Income	(.282)	(.394)	(.482)	(.627)	(.560)	(.500)
Distributions from Realized Capital Gains	(.030)	—	—	(.024)	—	—
Total Distributions	(.312)	(.394)	(.482)	(.651)	(.560)	(.500)
Net Asset Value, End of Period	\$20.85	\$19.22	\$17.16	\$15.56	\$22.21	\$20.09
Total Return¹	10.21%	14.50%	13.82%	-27.69%	13.55%	14.09%
Ratios/Supplemental Data						
Net Assets, End of Period (Millions)	\$8,919	\$8,049	\$7,626	\$7,408	\$11,272	\$9,463
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—	—
Acquired Fund Fees and Expenses	0.19%	0.19%	0.23%	0.22%	0.23%	0.26%
Ratio of Net Investment Income to Average Net Assets	2.11%	2.37%	2.89%	2.98%	2.81%	2.70%
Portfolio Turnover Rate	20%	17%	25% ²	18%	7%	8%

The expense ratio, acquired fund fees and expenses, net income ratio, and turnover rate for the current period have been annualized.

1 Total returns do not include account service fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable account service fees.

2 Excludes the value of mutual fund shares delivered and received in connection with a change in the fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the fund to incur transaction costs.

Notes to Financial Statements

Vanguard LifeStrategy Moderate Growth Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. stocks, international stocks, bonds, and short-term reserves.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. mutual funds. The fund consistently follows such policies in preparing its financial statements.

1. **Security Valuation:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Federal Income Taxes:** The fund intends to continue to qualify as a regulated investment company and distribute all of its taxable income. Management has analyzed the fund's tax positions taken for all open federal income tax years (October 31, 2007–2010), and for the period ended April 30, 2011, and has concluded that no provision for federal income tax is required in the fund's financial statements.

3. **Distributions:** Distributions to shareholders are recorded on the ex-dividend date.

4. **Other:** Income and capital gain distributions received are recorded on the ex-dividend date. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

B. Under a service agreement, The Vanguard Group furnishes corporate management, administrative, marketing, and distribution services to the fund. The service agreement provides that the fund's expenses may be reduced or eliminated to the extent of savings realized by the Vanguard funds by the operation of the fund. Accordingly, all incremental expenses for services provided by Vanguard and all other expenses incurred by the fund during the period ended April 30, 2011, were borne by the funds in which the fund invests. The fund's trustees and officers are also directors and officers of Vanguard and the funds in which the fund invests.

C. Various inputs may be used to determine the value of the fund's investments. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1—Quoted prices in active markets for identical securities.

Level 2—Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3—Significant unobservable inputs (including the fund's own assumptions used to determine the fair value of investments).

At April 30, 2011, 100% of the fund's investments were valued based on Level 1 inputs.

D. Distributions are determined on a tax basis and may differ from net investment income and realized capital gains for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified among capital accounts in the financial statements to reflect their tax character. Temporary differences arise when certain items of income, expense, gain, or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. Differences in classification may also result from the treatment of short-term gains as ordinary income for tax purposes.

The fund's tax-basis capital gains and losses are determined only at the end of each fiscal year. For tax purposes, at October 31, 2010, the fund had available capital loss carryforwards totaling \$204,585,000 to offset future net capital gains of \$45,187,000 through October 31, 2016, \$146,638,000 through October 31, 2017, and \$12,760,000 through October 31, 2018. The fund will use these capital losses to offset net taxable capital gains, if any, realized during the year ending October 31, 2011; should the fund realize net capital losses for the year, the losses will be added to the loss carryforward balance above. Short-term capital gain distributions received are treated as ordinary income for tax purposes, and cannot be offset by capital losses. Capital gain distributions paid during the six months ended April 30, 2011, are from short-term gain distributions received from Vanguard Total Bond Market II Index Fund.

At April 30, 2011, the cost of investment securities for tax purposes was \$6,955,521,000. Net unrealized appreciation of investment securities for tax purposes was \$1,960,608,000, consisting entirely of unrealized gains on securities that had risen in value since their purchase.

E. During the six months ended April 30, 2011, the fund purchased \$1,439,018,000 of investment securities and sold \$1,272,470,000 of investment securities, other than temporary cash investments.

F. Capital shares issued and redeemed were:

	Six Months Ended April 30, 2011	Year Ended October 31, 2010
	Shares (000)	Shares (000)
Issued	40,846	62,942
Issued in Lieu of Cash Distributions	6,631	9,670
Redeemed	(38,564)	(98,056)
Net Increase (Decrease) in Shares Outstanding	8,913	(25,444)

G. In preparing the financial statements as of April 30, 2011, management considered the impact of subsequent events for potential recognition or disclosure in these financial statements.

LifeStrategy Growth Fund

Fund Profile

As of April 30, 2011

Total Fund Characteristics

Ticker Symbol	VASGX
30-Day SEC Yield	1.71%
Acquired Fund Fees and Expenses ¹	0.20%

Allocation to Underlying Vanguard Funds

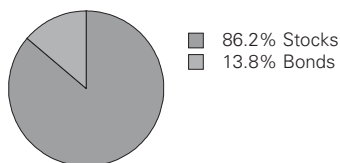
Vanguard Total Stock Market Index Fund Investor Shares	43.7%
Vanguard Total International Stock Index Fund Investor Shares	24.5
Vanguard Asset Allocation Fund Investor Shares	19.9
Vanguard Total Bond Market II Index Fund Investor Shares	11.9

Total Fund Volatility Measures

	Growth Composite Index	DJ U.S. Total Market Index
R-Squared	1.00	0.99
Beta	1.08	0.89

These measures show the degree and timing of the fund's fluctuations compared with the indexes over 36 months.

Fund Asset Allocation

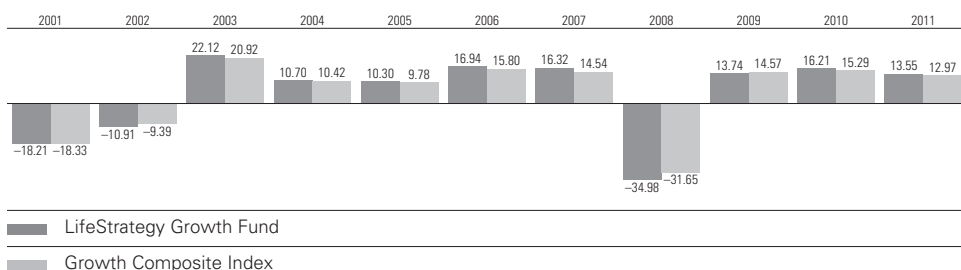


¹ This figure—drawn from the prospectus dated February 28, 2011—represents an estimate of the weighted average of the expense ratios and any transaction fees charged by the underlying mutual funds (the “acquired” funds) in which the LifeStrategy Growth Fund invests. The LifeStrategy Growth Fund does not charge any expenses or fees of its own. For the six months ended April 30, 2011, the annualized acquired fund fees and expenses were 0.21%.

Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. (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.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on fund distributions or on the sale of fund shares.

Fiscal-Year Total Returns (%): October 31, 2000, Through April 30, 2011



Growth Composite Index: Weighted 65% Dow Jones U.S. Total Stock Market Index, 20% Barclays Capital U.S. Aggregate Bond Index, and 15% MSCI EAFE Index through April 22, 2005; 65% MSCI US Broad Market Index, 20% Barclays Capital U.S. Aggregate Bond Index through December 31, 2009, and Barclays Capital U.S. Aggregate Float Adjusted Index thereafter, and 15% MSCI EAFE Index through December 15, 2010; and 56% MSCI US Broad Market Index, 24% MSCI ACWI ex USA IMI Index, and 20% Barclays Capital U.S. Aggregate Float Adjusted Index thereafter. MSCI international benchmark returns are adjusted for withholding taxes applicable to Luxembourg holding companies.

Note: For 2011, performance data reflect the six months ended April 30, 2011.

Average Annual Total Returns: Periods Ended March 31, 2011

This table presents returns through the latest calendar quarter—rather than through the end of the fiscal period. Securities and Exchange Commission rules require that we provide this information.

	Inception Date	One Year	Five Years	Ten Years		
				Income	Capital	Total
LifeStrategy Growth Fund	9/30/1994	15.10%	3.22%	2.20%	2.77%	4.97%

See Financial Highlights for dividend and capital gains information.

Financial Statements (unaudited)

Statement of Net Assets

As of April 30, 2011

The fund reports a complete list of its holdings in regulatory filings four times in each fiscal year, at the quarter-ends. For the second and fourth fiscal quarters, the lists appear in the fund's semiannual and annual reports to shareholders. For the first and third fiscal quarters, the fund files the lists with the Securities and Exchange Commission on Form N-Q. Shareholders can look up the fund's Forms N-Q on the SEC's website at sec.gov. Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room (see the back cover of this report for further information).

	Shares	Market Value* (\$000)
Investment Companies (100.0%)		
U.S. Stock Fund (43.7%)		
Vanguard Total Stock Market Index Fund Investor Shares	108,544,800	3,737,197
International Stock Fund (24.5%)		
Vanguard Total International Stock Index Fund Investor Shares	122,506,844	2,092,417
Balanced Fund (19.9%)		
Vanguard Asset Allocation Fund Investor Shares	64,362,228	1,701,737
Bond Fund (11.9%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	95,842,479	1,012,097
Total Investment Companies (Cost \$6,549,048)		8,543,448
Temporary Cash Investment (0.0%)		
Money Market Fund (0.0%)		
¹ Vanguard Market Liquidity Fund, 0.179% (Cost \$897)	896,947	897
Total Investments (100.0%) (Cost \$6,549,945)		8,544,345
Other Assets and Liabilities (0.0%)		
Other Assets		16,644
Liabilities		(15,373)
		1,271
Net Assets (100%)		
Applicable to 358,630,806 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)		8,545,616
Net Asset Value Per Share		\$23.83

At April 30, 2011, net assets consisted of:

	Amount (\$000)
Paid-in Capital	6,596,071
Undistributed Net Investment Income	23,343
Accumulated Net Realized Losses	(68,198)
Unrealized Appreciation (Depreciation)	1,994,400
Net Assets	8,545,616

• See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown for Vanguard Market Liquidity Fund is the 7-day yield.

See accompanying Notes, which are an integral part of the Financial Statements.

Statement of Operations

Six Months Ended
April 30, 2011

	(\$000)
Investment Income	
Income	
Income Distributions Received	88,169
Net Investment Income—Note B	88,169
Realized Net Gain (Loss)	
Capital Gain Distributions Received	6,052
Investment Securities Sold	(536)
Realized Net Gain (Loss)	5,516
Change in Unrealized Appreciation (Depreciation) of Investment Securities	919,796
Net Increase (Decrease) in Net Assets Resulting from Operations	1,013,481

See accompanying Notes, which are an integral part of the Financial Statements.

Statement of Changes in Net Assets

	Six Months Ended April 30, 2011	Year Ended October 31, 2010
	(\$000)	(\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	88,169	147,564
Realized Net Gain (Loss)	5,516	107,354
Change in Unrealized Appreciation (Depreciation)	919,796	790,461
Net Increase (Decrease) in Net Assets Resulting from Operations	1,013,481	1,045,379
Distributions		
Net Investment Income	(105,119)	(131,354)
Realized Capital Gain ¹	(3,164)	—
Total Distributions	(108,283)	(131,354)
Capital Share Transactions		
Issued	694,140	944,850
Issued in Lieu of Cash Distributions	106,747	129,656
Redeemed	(591,085)	(1,178,832)
Net Increase (Decrease) from Capital Share Transactions	209,802	(104,326)
Total Increase (Decrease)	1,115,000	809,699
Net Assets		
Beginning of Period	7,430,616	6,620,917
End of Period ²	8,545,616	7,430,616

¹ Includes fiscal 2011 short-term gain distributions totaling \$3,164,000. Short-term gain distributions are treated as ordinary income dividends for tax purposes.

² Net Assets—End of Period includes undistributed net investment income of \$23,343,000 and \$40,293,000.

Financial Highlights

For a Share Outstanding Throughout Each Period	Six Months Ended April 30, 2011	Year Ended October 31,				
		2010	2009	2008	2007	2006
Net Asset Value, Beginning of Period	\$21.28	\$18.66	\$16.86	\$26.56	\$23.32	\$20.37
Investment Operations						
Net Investment Income	.249	.417	.423	.571	.540	.450
Capital Gain Distributions Received	.017	—	—	—	—	—
Net Realized and Unrealized Gain (Loss) on Investments	2.592	2.573	1.818	(9.690)	3.220	2.950
Total from Investment Operations	2.858	2.990	2.241	(9.119)	3.760	3.400
Distributions						
Dividends from Net Investment Income	(.299)	(.370)	(.441)	(.581)	(.520)	(.450)
Distributions from Realized Capital Gains	(.009)	—	—	—	—	—
Total Distributions	(.308)	(.370)	(.441)	(.581)	(.520)	(.450)
Net Asset Value, End of Period	\$23.83	\$21.28	\$18.66	\$16.86	\$26.56	\$23.32
Total Return¹	13.55%	16.21%	13.74%	-34.98%	16.32%	16.94%
Ratios/Supplemental Data						
Net Assets, End of Period (Millions)	\$8,546	\$7,431	\$6,621	\$6,267	\$10,372	\$8,422
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—	—
Acquired Fund Fees and Expenses	0.21%	0.20%	0.23%	0.21%	0.23%	0.27%
Ratio of Net Investment Income to Average Net Assets	1.84%	2.09%	2.57%	2.47%	2.15%	2.07%
Portfolio Turnover Rate	16%	11%	12% ²	10%	4%	3%

The expense ratio, acquired fund fees and expenses, net income ratio, and turnover rate for the current period have been annualized.

1 Total returns do not include account service fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable account service fees.

2 Excludes the value of mutual fund shares delivered and received in connection with a change in the fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the fund to incur transaction costs.

Notes to Financial Statements

Vanguard LifeStrategy Growth Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. stocks, international stocks, bonds, and short-term reserves.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. mutual funds. The fund consistently follows such policies in preparing its financial statements.

1. **Security Valuation:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Federal Income Taxes:** The fund intends to continue to qualify as a regulated investment company and distribute all of its taxable income. Management has analyzed the fund's tax positions taken for all open federal income tax years (October 31, 2007–2010), and for the period ended April 30, 2011, and has concluded that no provision for federal income tax is required in the fund's financial statements.

3. **Distributions:** Distributions to shareholders are recorded on the ex-dividend date.

4. **Other:** Income and capital gain distributions received are recorded on the ex-dividend date. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

B. Under a service agreement, The Vanguard Group furnishes corporate management, administrative, marketing, and distribution services to the fund. The service agreement provides that the fund's expenses may be reduced or eliminated to the extent of savings realized by the Vanguard funds by the operation of the fund. Accordingly, all incremental expenses for services provided by Vanguard and all other expenses incurred by the fund during the period ended April 30, 2011, were borne by the funds in which the fund invests. The fund's trustees and officers are also directors and officers of Vanguard and the funds in which the fund invests.

C. Various inputs may be used to determine the value of the fund's investments. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1—Quoted prices in active markets for identical securities.

Level 2—Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3—Significant unobservable inputs (including the fund's own assumptions used to determine the fair value of investments).

At April 30, 2011, 100% of the fund's investments were valued based on Level 1 inputs.

D. Distributions are determined on a tax basis and may differ from net investment income and realized capital gains for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified among capital accounts in the financial statements to reflect their tax character. Temporary differences arise when certain items of income, expense, gain, or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. Differences in classification may also result from the treatment of short-term gains as ordinary income for tax purposes.

The fund's tax-basis capital gains and losses are determined only at the end of each fiscal year. For tax purposes, at October 31, 2010, the fund had available capital loss carryforwards totaling \$69,340,000 to offset future net capital gains through October, 17, 2017. The fund will use these capital losses to offset net taxable capital gains, if any, realized during the year ending October 31, 2011; should the fund realize net capital losses for the year, the losses will be added to the loss carryforward balance above. Short-term capital gain distributions received are treated as ordinary income for tax purposes, and cannot be offset by capital losses. Capital gain distributions paid during the six months ended April 30, 2011, are from short-term gain distributions received from Vanguard Total Bond Market II Index Fund.

At April 30, 2011, the cost of investment securities for tax purposes was \$6,549,945,000. Net unrealized appreciation of investment securities for tax purposes was \$1,994,400,000, consisting entirely of unrealized gains on securities that had risen in value since their purchase.

E. During the six months ended April 30, 2011, the fund purchased \$1,278,813,000 of investment securities and sold \$1,063,172,000 of investment securities, other than temporary cash investments.

F. Capital shares issued and redeemed were:

	Six Months Ended April 30, 2011	Year Ended October 31, 2010
	Shares (000)	Shares (000)
Issued	30,880	47,488
Issued in Lieu of Cash Distributions	4,848	6,633
Redeemed	(26,338)	(59,624)
Net Increase (Decrease) in Shares Outstanding	9,390	(5,503)

G. In preparing the financial statements as of April 30, 2011, management considered the impact of subsequent events for potential recognition or disclosure in these financial statements.

About Your Fund's Expenses

As a shareholder of the fund, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a fund's gross income, directly reduce the investment return of the fund.

A typical fund's expenses are expressed as a percentage of its average net assets. The LifeStrategy Funds have no direct expenses, but each fund bears its proportionate share of the costs for the underlying funds in which it invests. These indirect expenses make up the acquired fund fees and expenses, also expressed as a percentage of average net assets.

The following examples are intended to help you understand the ongoing cost (in dollars) of investing in your fund and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period. The costs were calculated using the acquired fund fees and expenses for each LifeStrategy Fund.

The accompanying table illustrates your fund's costs in two ways:

- **Based on actual fund return.** This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the fund's actual return, and the third column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the fund. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for your fund under the heading "Expenses Paid During Period."

- **Based on hypothetical 5% yearly return.** This section is intended to help you compare your fund's costs with those of other mutual funds. It assumes that the fund had a yearly return of 5% before expenses, but that the expense ratio is unchanged. In this case—because the return used is not the fund's actual return—the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5% return. You can assess your fund's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that the expenses shown in the table are meant to highlight and help you compare *ongoing* costs only and do not reflect transaction costs incurred by the fund for buying and selling securities. Further, the expenses do not include any purchase, redemption, or account service fees described in the fund prospectus. If such fees were applied to your account, your costs would be higher. Your fund does not carry a "sales load."

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

You can find more information about the fund's expenses, including annual expense ratios, in the Financial Statements section of this report. For additional information on operating expenses and other shareholder costs, please refer to your fund's current prospectus.

Six Months Ended April 30, 2011

	Beginning Account Value 10/31/2010	Ending Account Value 4/30/2011	Expenses Paid During Period
Based on Actual Fund Return			
LifeStrategy Income Fund	\$1,000.00	\$1,039.09	\$0.91
LifeStrategy Conservative Growth Fund	\$1,000.00	\$1,070.61	\$1.03
LifeStrategy Moderate Growth Fund	\$1,000.00	\$1,102.14	\$0.99
LifeStrategy Growth Fund	\$1,000.00	\$1,135.49	\$1.11
Based on Hypothetical 5% Yearly Return			
LifeStrategy Income Fund	\$1,000.00	\$1,023.90	\$0.90
LifeStrategy Conservative Growth Fund	\$1,000.00	\$1,023.80	\$1.00
LifeStrategy Moderate Growth Fund	\$1,000.00	\$1,023.85	\$0.95
LifeStrategy Growth Fund	\$1,000.00	\$1,023.75	\$1.05

The calculations are based on acquired fund fees and expenses charged by the underlying mutual funds in which the LifeStrategy Funds invest. The LifeStrategy Funds' annualized expense figures for the period are (in order as listed from top to bottom above) 0.18%, 0.20%, 0.19%, and 0.21%. The dollar amounts shown as "Expenses Paid" are equal to the annualized average weighted expense ratio for the underlying funds multiplied by the average account value over the period, multiplied by the number of days in the most recent six-month period, then divided by the number of days in the most recent 12-month period.

Glossary

30-Day SEC Yield. A fund's 30-day SEC yield is derived using a formula specified by the U.S. Securities and Exchange Commission. Under the formula, data related to the fund's security holdings in the previous 30 days are used to calculate the fund's hypothetical net income for that period, which is then annualized and divided by the fund's estimated average net assets over the calculation period. For the purposes of this calculation, a security's income is based on its current market yield to maturity (in the case of bonds) or its projected dividend yield (for stocks). Because the SEC yield represents hypothetical annualized income, it will differ—at times significantly—from the fund's actual experience. As a result, the fund's income distributions may be higher or lower than implied by the SEC yield.

Acquired Fund Fees and Expenses. Funds that invest in other Vanguard funds incur no direct expenses, but they do bear proportionate shares of the operating, administrative, and advisory expenses of the underlying funds, and they must pay any fees charged by those funds. The figure for acquired fund fees and expenses represents a weighted average of these underlying costs. *Acquired* is a term that the Securities and Exchange Commission applies to any mutual fund whose shares are owned by another fund.

Beta. A measure of the magnitude of a fund's past share-price fluctuations in relation to the ups and downs of a given market index. The index is assigned a beta of 1.00. Compared with a given index, a fund with a beta of 1.20 typically would have seen its share price rise or fall by 12% when the index rose or fell by 10%. For this report, beta is based on returns over the past 36 months for both the fund and the index. Note that a fund's beta should be reviewed in conjunction with its R-squared (see definition). The lower the R-squared, the less correlation there is between the fund and the index, and the less reliable beta is as an indicator of volatility.

Expense Ratio. The percentage of a fund's average net assets used to pay its annual administrative and advisory expenses. These expenses directly reduce returns to investors.

Inception Date. 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 measured from the inception date.

R-Squared. A measure of how much of a fund's past returns can be explained by the returns from the market in general, as measured by a given index. If a fund's total returns were precisely synchronized with an index's returns, its R-squared would be 1.00. If the fund's returns bore no relationship to the index's returns, its R-squared would be 0. For this report, R-squared is based on returns over the past 36 months for both the fund and the index.

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The People Who Govern Your Fund

The trustees of your mutual fund are there to see that the fund is operated and managed in your best interests since, as a shareholder, you are a part owner of the fund. Your fund's trustees also serve on the board of directors of The Vanguard Group, Inc., which is owned by the Vanguard funds and provides services to them on an at-cost basis.

A majority of Vanguard's board members are independent, meaning that they have no affiliation with Vanguard or the funds they oversee, apart from the sizable personal investments they have made as private individuals. The independent board members have distinguished backgrounds in business, academia, and public service. Each of the trustees and executive officers oversees 179 Vanguard funds.

The following table provides information for each trustee and executive officer of the fund. More information about the trustees is in the *Statement of Additional Information*, which can be obtained, without charge, by contacting Vanguard at 800-662-7447, or online at vanguard.com.

Interested Trustee¹

F. William McNabb III

Born 1957. Trustee Since July 2009. Chairman of the Board. Principal Occupation(s) During the Past Five Years: Chairman of the Board of The Vanguard Group, Inc., and of each of the investment companies served by The Vanguard Group, since January 2010; Director of The Vanguard Group since 2008; Chief Executive Officer and President of The Vanguard Group and of each of the investment companies served by The Vanguard Group since 2008; Director of Vanguard Marketing Corporation; Managing Director of The Vanguard Group (1995–2008).

and President (2006–2008) of Rohm and Haas Co. (chemicals); Director of Tyco International, Ltd. (diversified manufacturing and services) and Hewlett-Packard Co. (electronic computer manufacturing); Senior Advisor at New Mountain Capital; Trustee of The Conference Board; Member of the Board of Managers of Delphi Automotive LLP (automotive components).

Amy Gutmann

Born 1949. Trustee Since June 2006. Principal Occupation(s) During the Past Five Years: President of the University of Pennsylvania; Christopher H. Browne Distinguished Professor of Political Science in the School of Arts and Sciences with secondary appointments at the Annenberg School for Communication and the Graduate School of Education of the University of Pennsylvania; Director of Carnegie Corporation of New York, Schuylkill River Development Corporation, and Greater Philadelphia Chamber of Commerce; Trustee of the National Constitution Center; Chair of the Presidential Commission for the Study of Bioethical Issues.

Independent Trustees

Emerson U. Fullwood

Born 1948. Trustee Since January 2008. Principal Occupation(s) During the Past Five Years: Executive Chief Staff and Marketing Officer for North America and Corporate Vice President (retired 2008) of Xerox Corporation (document management products and services); Executive in Residence and 2010 Distinguished Minett Professor at the Rochester Institute of Technology; Director of SPX Corporation (multi-industry manufacturing), the United Way of Rochester, Amerigroup Corporation (managed health care), the University of Rochester Medical Center, Monroe Community College Foundation, and North Carolina A&T University.

JoAnn Heffernan Heisen

Born 1950. Trustee Since July 1998. Principal Occupation(s) During the Past Five Years: Corporate Vice President and Chief Global Diversity Officer (retired 2008) and Member of the Executive Committee (1997–2008) of Johnson & Johnson (pharmaceuticals/consumer products); Director of Skytop Lodge Corporation (hotels), the University Medical Center at Princeton, the Robert Wood Johnson Foundation, and the Center for Work Life Policy; Member of the Advisory Board of the Maxwell School of Citizenship and Public Affairs at Syracuse University.

Rajiv L. Gupta

Born 1945. Trustee Since December 2001.² Principal Occupation(s) During the Past Five Years: Chairman and Chief Executive Officer (retired 2009)

F. Joseph Loughrey

Born 1949. Trustee Since October 2009. Principal Occupation(s) During the Past Five Years: President and Chief Operating Officer (retired 2009) and Vice Chairman of the Board (2008–2009) of Cummins Inc. (industrial machinery); Director of SKF AB (industrial machinery), Hillenbrand, Inc. (specialized consumer services), the Lumina Foundation for Education, and Oxfam America; Chairman of the Advisory Council for the College of Arts and Letters and Member of the Advisory Board to the Kellogg Institute for International Studies at the University of Notre Dame.

André F. Perold

Born 1952. Trustee Since December 2004. Principal Occupation(s) During the Past Five Years: George Gund Professor of Finance and Banking at the Harvard Business School; Chair of the Investment Committee of HighVista Strategies LLC (private investment firm).

Alfred M. Rankin, Jr.

Born 1941. Trustee Since January 1993. Principal Occupation(s) During the Past Five Years: Chairman, President, and Chief Executive Officer of NACCO Industries, Inc. (forklift trucks/housewares/lignite); Director of Goodrich Corporation (industrial products/ aircraft systems and services) and the National Association of Manufacturers; Chairman of the Federal Reserve Bank of Cleveland; Vice Chairman of University Hospitals of Cleveland; President of the Board of The Cleveland Museum of Art.

Peter F. Volanakis

Born 1955. Trustee Since July 2009. Principal Occupation(s) During the Past Five Years: President and Chief Operating Officer (retired 2010) of Corning Incorporated (communications equipment); Director of Corning Incorporated (2000–2010) and Dow Corning (2001–2010); Overseer of the Amos Tuck School of Business Administration at Dartmouth College.

Executive Officers**Glenn Booraem**

Born 1967. Controller Since July 2010. Principal Occupation(s) During the Past Five Years: Principal of The Vanguard Group, Inc.; Controller of each of the investment companies served by The Vanguard Group since 2010; Assistant Controller of each of the investment companies served by The Vanguard Group (2001–2010).

Thomas J. Higgins

Born 1957. Chief Financial Officer Since September 2008. Principal Occupation(s) During the Past Five Years: Principal of The Vanguard Group, Inc.; Chief Financial Officer of each of the investment companies served by The Vanguard Group since 2008; Treasurer of each of the investment companies served by The Vanguard Group (1998–2008).

Kathryn J. Hyatt

Born 1955. Treasurer Since November 2008. Principal Occupation(s) During the Past Five Years: Principal of The Vanguard Group, Inc.; Treasurer of each of the investment companies served by The Vanguard Group since 2008; Assistant Treasurer of each of the investment companies served by The Vanguard Group (1988–2008).

Heidi Stam

Born 1956. Secretary Since July 2005. Principal Occupation(s) During the Past Five Years: Managing Director of The Vanguard Group, Inc., since 2006; General Counsel of The Vanguard Group since 2005; Secretary of The Vanguard Group and of each of the investment companies served by The Vanguard Group since 2005; Director and Senior Vice President of Vanguard Marketing Corporation since 2005; Principal of The Vanguard Group (1997–2006).

Vanguard Senior Management Team

R. Gregory Barton	Michael S. Miller
Mortimer J. Buckley	James M. Norris
Kathleen C. Gubanich	Glenn W. Reed
Paul A. Heller	George U. Sauter
Martha G. King	

Chairman Emeritus and Senior Advisor**John J. Brennan**

Chairman, 1996–2009
Chief Executive Officer and President, 1996–2008

Founder**John C. Bogle**

Chairman and Chief Executive Officer, 1974–1996

1 Mr. McNabb is considered an "interested person," as defined in the Investment Company Act of 1940, because he is an officer of the Vanguard funds.

2 December 2002 for Vanguard Equity Income Fund, Vanguard Growth Equity Fund, the Vanguard Municipal Bond Funds, and the Vanguard State Tax-Exempt Funds.



P.O. Box 2600
Valley Forge, PA 19482-2600

Connect with Vanguard® > vanguard.com

Fund Information > 800-662-7447

Direct Investor Account Services > 800-662-2739

Institutional Investor Services > 800-523-1036

Text Telephone for People

With Hearing Impairment > 800-749-7273

This material may be used in conjunction with the offering of shares of any Vanguard fund only if preceded or accompanied by the fund's current prospectus.

All comparative mutual fund data are from Lipper Inc. or Morningstar, Inc., unless otherwise noted.

You can obtain a free copy of Vanguard's proxy voting guidelines by visiting vanguard.com/proxyreporting or by calling Vanguard at 800-662-2739. The guidelines are also available from the SEC's website, sec.gov. In addition, you may obtain a free report on how your fund voted the proxies for securities it owned during the 12 months ended June 30. To get the report, visit either vanguard.com/proxyreporting or sec.gov.

You can review and copy information about your fund at the SEC's Public Reference Room in Washington, D.C. To find out more about this public service, call the SEC at 202-551-8090. Information about your fund is also available on the SEC's website, and you can receive copies of this information, for a fee, by sending a request in either of two ways: via e-mail addressed to publicinfo@sec.gov or via regular mail addressed to the Public Reference Section, Securities and Exchange Commission, Washington, DC 20549-1520.

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