



Vanguard reopens Dividend Growth Fund

Effective immediately, Vanguard has reopened [Vanguard Dividend Growth Fund](#) ("Fund") (Ticker: VDIGX, CUSIP: 921908604) to all investors. The firm had closed the \$36.6 billion Fund to most new accounts in July 2016 to protect the interests of existing shareholders by reducing cash flow after a period of rapid growth. Since that time, cash flow has diminished and the market environment has changed.

After careful analysis of market conditions, cash flows, fund policies, and investment capabilities, Vanguard has determined that the Fund could be reopened without negatively impacting current shareholders. Furthermore, reopening the Fund should result in two-way investor cash flows benefitting both new and existing shareholders. The Fund, which invests in stable, well-managed companies with a history of dividend growth, will continue to be managed by Wellington Management Company LLP.

"Our analysis indicates there is ample capacity in the market for us to reopen the Fund without adversely affecting existing shareholders," said Dan Newhall, CFA, of Vanguard Portfolio Review Department, who leads a team of analysts responsible for investment oversight and manager search. "We believe in Wellington's ability to produce competitive long-term results for all investors and will continue to monitor the Fund to ensure our decision remains in the best interests of clients."

The change has no effect on the Fund's 0.22% expense ratio, investment objectives, strategies, or policies as described in the Fund's prospectus.

Vanguard's active funds have consistently outperformed peer group averages over various time periods.¹ Vanguard attributes its enduring outperformance to three key factors: exceptional investment talent, proven, disciplined approach, and unique alignment with its clients. As of June 30, 2019, Vanguard had \$1.3 trillion in assets under active management—making it the industry's third-largest manager of actively managed assets.² Of that, \$620 billion was managed by external investment advisory firms.

¹ For the one-year period, 85 of 120 Vanguard active funds outperformed their peer group averages. For the five-year period, 91 of 100 Vanguard active funds outperformed their peer group averages. For the ten-year period, 86 of 96 Vanguard active funds outperformed their peer group averages. All data as of

June 30, 2019 . Results will vary for other time periods. Only funds with a minimum one-, five-, or ten-year history, respectively, were included in the comparison. (Source: Lipper, a Thomson Reuters Company). Note that the competitive performance data shown represent past performance, which is not a guarantee of future results, results, and that all investments are subject to risks. For the most recent performance, visit our website at www.vanguard.com/performance.

² Source: Morningstar, as of June 30, 2019.

Please contact your Vanguard Relationship Management Team **800-232-6171** or by [email](#) with any questions you have about this announcement.

Legal notices

For more information about Vanguard funds, visit advisors.vanguard.com or call [800-997-2798](tel:800-997-2798) to obtain a prospectus or, if available, a summary 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.

All investing is subject to risk, including the possible loss of the money you invest. Diversification does not ensure a profit or protect against a loss.

All asset figures are as of June 30, 2019, unless otherwise noted.

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