



# Vanguard Emerging Markets Stock Index Fund

**Supplement to the Prospectus and Summary Prospectus Dated  
February 26, 2015**

## **New Target Index**

Effective as of the start of business on November 2, 2015, Vanguard Emerging Markets Stock Index Fund has begun tracking the FTSE Emerging Markets All Cap China A Transition Index (the "Transition Index"), on an interim basis, in the first phase of a two-phased index change as previously approved by the Fund's board of trustees.

The board of trustees has approved the FTSE Emerging Markets All Cap China A Inclusion Index as the new target index for the Fund, replacing the FTSE Emerging Index. The board believes that the new index will result in a more comprehensive representation of the Fund's market segment due to the addition of small-capitalization equity securities and China A-shares to its portfolio.

The Fund is expected to begin tracking the FTSE Emerging Markets All Cap China A Inclusion Index over the next 12 months, and the current change to the Transition Index is the first of two phases. This approach is intended to enable the Fund's advisor, The Vanguard Group, Inc., to make the necessary adjustments to portfolio holdings in a manner that minimizes impact to Fund shareholders. In this first phase, the Fund has ceased tracking its former target index and has begun temporarily tracking the Transition Index, an interim index that will gradually increase exposure to small-capitalization stocks and China A-shares while proportionately reducing exposure to other stocks based on their weightings in the new target index. In the second phase, the Fund will begin tracking the FTSE Emerging Markets All Cap China A Inclusion Index, which will be quota-adjusted by FTSE to take into account the quota amount allocated to foreign investors by the Chinese regulator. During both this transition phase and the final benchmark phase, the Fund will invest by sampling the index, meaning that it will hold a broadly diversified collection of securities that, in the aggregate, approximates the full index in terms of key characteristics.

## Prospectus and Summary Prospectus Text Changes

The paragraph under “Principal Investment Strategies” for the Emerging Markets Stock Index Fund is replaced with the following:

The Fund employs an indexing investment approach designed to track the performance of the FTSE Emerging Markets All Cap China A Transition Index, an interim index that will gradually increase exposure to small-capitalization stocks and China A-shares while proportionately reducing exposure to other stocks based on their weightings in the FTSE Emerging Markets All Cap China A Inclusion Index. The FTSE Emerging Markets All Cap China A Inclusion Index is a market-capitalization-weighted index that is made up of approximately 3,500 common stocks of large-, mid-, and small-cap companies located in emerging markets around the world. The Fund invests by sampling the Index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the interim index in terms of key characteristics. These key characteristics include industry weightings and market capitalization, as well as certain financial measures, such as price/earnings ratio and dividend yield.

The following text is added under the “Principal Risks” section:

- *China A-shares risk*, which is the chance that the Fund may not be able to access a sufficient amount of China A-shares to track its target index. China A-shares are only available to foreign investors through a quota license or the Shanghai-Hong Kong Stock Connect program.

The following replaces similar text under the “Principal Risks” section:

- *Index sampling risk*, which is the chance that the securities selected for the Fund, in the aggregate, will not provide investment performance matching that of the Fund’s target index.

## Prospectus Text Changes

The following paragraph replaces similar text in the **More on the Funds** section under the heading “Market Exposure”:

Keep in mind that the MSCI EAFE Index tracks mainly large- and mid-cap stocks. Historically, small-cap stocks (such as those held by the Funds) have been more volatile than—and at times have performed quite differently from—the large- and mid-cap stocks of the MSCI EAFE Index.

Also under the heading “Market Exposure,” the following is added after the emerging markets risk flag:



*The Emerging Markets Stock Index Fund is subject to China A-shares risk, which is the chance that the Fund may not be able to access a sufficient amount of China A-shares to track its target index. China A-shares are only available to foreign investors through a quota license or through the Shanghai-Hong Kong Stock Connect program.*

China A-shares (A-shares) are shares of mainland Chinese companies that are traded locally on the Shanghai and Shenzhen stock exchanges. In order for foreign investors to purchase A-shares, a Qualified Foreign Institutional Investor (QFII) or Renminbi QFII (RQFII) license and quota are required. The quota available to the Emerging Markets Stock Index Fund through a Vanguard entity with an RQFII or QFII license may be limited by a Chinese regulator or the quota use of other Vanguard funds. A-shares are also available to foreign investors through the Shanghai-Hong Kong Stock Connect program (Stock Connect), subject to separate quota limitations. It is possible that the A-shares quota available to the Fund as a foreign investor may not be sufficient to meet the Fund’s investment needs. In this situation, the Fund may underweight A-shares relative to the index or seek an alternative method of economic exposure, such as by purchasing other classes of securities or depositary receipts, or by utilizing derivatives. These options could increase the Fund’s index sampling risk or investment cost. Additionally, investing in A-shares generally increases emerging markets risk due in part to government and issuer market controls and the developing settlement and legal systems.

The following replaces similar text in the **More on the Funds** section under the heading “Security Selection”:

Each Fund attempts to track the investment performance of a benchmark index that measures the return of a particular market segment. Vanguard European Stock Index Fund and Vanguard Pacific Stock Index Fund use the replication method of indexing, meaning that each Fund generally holds the same stocks as its target index and in approximately the same proportions. Vanguard Emerging Markets Stock Index Fund uses the sampling method of indexing, meaning that the Fund’s advisor, using computer programs, selects from the target index a representative sample of securities that will resemble the target index in terms of key risk factors and other characteristics. These include industry weightings, market capitalization, and other financial characteristics of stocks.

**Emerging Markets Stock Index Fund.** The Fund invests in the common stocks included in the FTSE Emerging Markets All Cap China A Transition Index, an interim index that will gradually increase exposure to small-capitalization stocks and China A-shares while proportionately reducing exposure to other stocks based on their weightings in the FTSE Emerging Markets All Cap China A Inclusion Index. The FTSE Emerging Markets All Cap China A Inclusion Index is a market-capitalization-weighted index that is made up of approximately 3,500 common stocks of large-, mid-, and small-cap companies located in emerging markets around the world and is part of the FTSE China A Inclusion indexes, which contain FTSE China A All Cap Index securities adjusted for the aggregate approved RQFII and QFII quotas available to foreign investors. The Fund invests by sampling the interim index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the interim index in terms of key characteristics. These key characteristics include industry weightings and market capitalization, as well as certain financial measures, such as price/earnings ratio and dividend yield.

The following is added to the end of the second paragraph under “Other Investment Policies and Risks”:

The Emerging Markets Stock Index Fund may use derivatives as an alternative method of economic exposure to China A-shares.

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Click here to view the fund's [statutory prospectus](#) or [statement of additional information](#).



**Vanguard**<sup>®</sup>

# Vanguard FTSE Emerging Markets ETF Summary Prospectus

February 26, 2015

Exchange-traded fund shares that are not individually redeemable and are listed on NYSE Arca

Vanguard Emerging Markets Stock Index Fund ETF Shares (VWO)

The Fund's statutory Prospectus and Statement of Additional Information dated February 26, 2015, as may be amended or supplemented, are incorporated into and made part of this Summary Prospectus by reference.

Before you invest, you may want to review the Fund's Prospectus, which contains more information about the Fund and its risks. You can find the Fund's Prospectus and other information about the Fund online at [www.vanguard.com/prospectus](http://www.vanguard.com/prospectus). You can also obtain this information at no cost by calling 866-499-8473 or by sending an e-mail request to [online@vanguard.com](mailto:online@vanguard.com).

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

## Investment Objective

The Fund seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in emerging market countries.

## Fees and Expenses

The following table describes the fees and expenses you may pay if you buy and hold ETF Shares of the Fund.

### Shareholder Fees

(Fees paid directly from your investment)

Transaction Fee on Purchases and Sales	None through Vanguard (Broker fees vary)
Transaction Fee on Reinvested Dividends	None through Vanguard (Broker fees vary)
Transaction Fee on Conversion to ETF Shares	None through Vanguard (Broker fees vary)

### Annual Fund Operating Expenses

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

Management Fees	0.07%
12b-1 Distribution Fee	None
Other Expenses	0.08%
Total Annual Fund Operating Expenses	0.15%

## Example

The following example is intended to help you compare the cost of investing in the Fund's ETF Shares with the cost of investing in other funds. It illustrates the hypothetical expenses that you would incur over various periods if you invested \$10,000 in the Fund's shares. This example assumes that the Shares provide a return of 5% a year and that total annual fund operating expenses remain as stated in the preceding table. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$15	\$48	\$85	\$192

This example does not include the brokerage commissions that you may pay to buy and sell ETF Shares of the Fund.

## Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in more taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, reduce the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 9% of the average value of its portfolio.

## Principal Investment Strategies

The Fund employs an indexing investment approach by investing substantially all (approximately 95%) of its assets in the common stocks included in the FTSE Emerging Index, while employing a form of sampling intended to reduce risk. The FTSE Emerging Index includes approximately 907 common stocks of companies located in emerging markets around the world. As of October 31, 2014, the largest markets covered in the Index were China, Taiwan, Brazil, India, and South Africa (which made up approximately 21.9%, 13.7%, 12.1%, 11.3%, and 9.4%, respectively, of the Index's market capitalization).

## Principal Risks

An investment in the Fund could lose money over short or even long periods. You should expect the Fund's share price and total return to fluctuate within a wide range, like the fluctuations of global stock markets. The Fund is subject to the following risks, which could affect the Fund's performance:

- *Stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The Fund's investments in foreign stocks can be riskier than U.S. stock investments. Foreign stocks tend to be more volatile and less liquid than U.S. stocks. The prices of foreign stocks and the prices of U.S. stocks may move in opposite directions. In addition, the Fund's target index may, at times, become focused in stocks of a particular market sector, which would subject the Fund to proportionately higher exposure to the risks of that sector.
- *Emerging markets risk*, which is the chance that the stocks of companies located in emerging markets will be substantially more volatile, and substantially less liquid, than the stocks of companies located in more developed foreign markets because, among other factors, emerging markets can have greater custodial and operational risks; less developed legal, regulatory, and accounting systems; and greater political, social, and economic instability than developed markets.
- *Country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of securities issued by companies in foreign countries or regions. The Index's, and therefore the Fund's, heavy exposure to China, Taiwan, Brazil, India, and South Africa subjects the Fund to a higher degree of country risk than that of more geographically diversified international funds.
- *Currency risk*, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates. Currency risk is especially high in emerging markets.
- *Index sampling risk*, which is the chance that the securities selected for the Fund, in the aggregate, will not provide investment performance matching that of the Fund's target index. Index sampling risk for the Fund should be low.

Because ETF Shares are traded on an exchange, they are subject to additional risks:

- The Fund's ETF Shares are listed for trading on NYSE Arca and are bought and sold on the secondary market at market prices. Although it is expected that the market price of an ETF Share typically will approximate its net asset value (NAV), there may be times when the market price and the NAV differ significantly. Thus, you may pay more or less than NAV when you buy ETF Shares on the secondary market, and you may receive more or less than NAV when you sell those shares.
- Although the Fund's ETF Shares are listed for trading on NYSE Arca, it is possible that an active trading market may not be maintained.

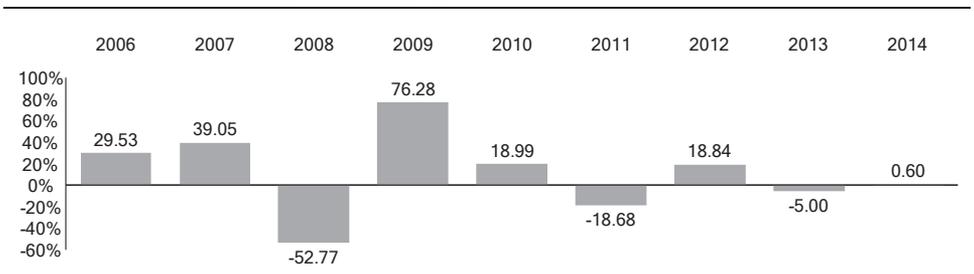
- Trading of the Fund's ETF Shares may be halted by the activation of individual or marketwide trading halts (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). Trading of the Fund's ETF Shares may also be halted if (1) the shares are delisted from NYSE Arca without first being listed on another exchange or (2) NYSE Arca officials determine that such action is appropriate in the interest of a fair and orderly market or for the protection of investors.

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

### Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund's ETF Shares (based on NAV) has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns of the ETF Shares compare with those of the Fund's target index and other comparative indexes, which have investment characteristics similar to those of the Fund. FTSE Emerging Index returns are adjusted for withholding taxes applicable to U.S.-based mutual funds organized as Delaware statutory trusts. MSCI Emerging Markets Index returns also are adjusted for withholding taxes. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available on our website at [vanguard.com/performance](http://vanguard.com/performance) or by calling Vanguard toll-free at 800-662-7447.

Annual Total Returns — Vanguard Emerging Markets Stock Index Fund ETF Shares



During the periods shown in the bar chart, the highest return for a calendar quarter was 34.17% (quarter ended June 30, 2009), and the lowest return for a quarter was -27.82% (quarter ended December 31, 2008).

## Average Annual Total Returns for Periods Ended December 31, 2014

	1 Year	5 Years	Since Inception (Mar. 4, 2005)
<b>Vanguard Emerging Markets Stock Index Fund ETF Shares</b>			
<i>Based on NAV</i>			
Return Before Taxes	0.60%	1.91%	7.33%
Return After Taxes on Distributions	-0.21	1.39	6.86
Return After Taxes on Distributions and Sale of Fund Shares	0.74	1.52	6.02
<i>Based on Market Price</i>			
Return Before Taxes	-0.09	1.90	7.33
<b>Comparative Indexes</b> (reflect no deduction for fees or expenses)			
FTSE Emerging Index	1.24%	2.06%	8.30%
Spliced Emerging Markets Index	1.24	2.13	7.56
MSCI Emerging Markets Index	-2.19	1.78	7.70

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

### Investment Advisor

The Vanguard Group, Inc. (Vanguard)

### Portfolio Manager

Michael Perre, Principal of Vanguard. He has managed the Fund since 2008.

## **Purchase and Sale of Fund Shares**

You can buy and sell ETF Shares of the Fund through a brokerage firm. The price you pay or receive for ETF Shares will be the prevailing market price, which may be more or less than the NAV of the shares. The brokerage firm may charge you a commission to execute the transaction. Unless imposed by your brokerage firm, there is no minimum dollar amount you must invest and no minimum number of shares you must buy. ETF Shares of the Fund cannot be directly purchased from or redeemed with the Fund, except by certain authorized broker-dealers. These broker-dealers may purchase and redeem ETF Shares only in large blocks (Creation Units) worth several million dollars, typically in exchange for baskets of securities. For this Fund, the number of ETF Shares in a Creation Unit is 200,000.

## **Tax Information**

The Fund's distributions may be taxable as ordinary income or capital gain. If you are investing through a tax-deferred retirement account, such as an IRA, special tax rules apply.

## **Payments to Financial Intermediaries**

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

[Click here to view the fund's \*\*statutory prospectus\*\* or \*\*statement of additional information\*\*.](#)

Vanguard Emerging Markets Stock Index Fund ETF Shares—Fund Number 964

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