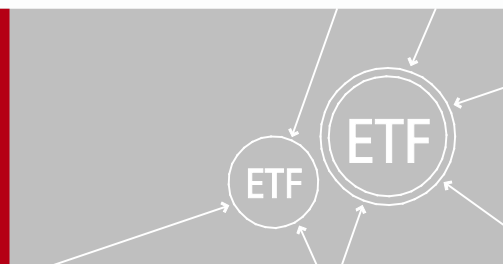


US SEC Filing Announcement for the Vanguard® Exchange Traded Funds

30 December 2016



Vanguard Investments Australia Ltd announces the following:

ETF	ASX CODE	ANNOUNCEMENT
Vanguard® All-World ex-US Shares Index ETF	VEU	US SEC Filing of Form N-CSR

The Vanguard Group, Inc. in the US has completed and filed Form N-CSR (certified annual shareholder report) for Registered Investment Companies with the Securities and Exchange Commission (SEC) in the US as part of the regulatory requirements of the SEC.

The completed form is attached and can be viewed online at the SEC website pages at:

<https://www.sec.gov/Archives/edgar/data/857489/000093247116015091/0000932471-16-015091-index.htm>

Further details of the SEC requirements for this filing are available at:

- [sec.gov/about/forms/formn-csr.pdf](https://www.sec.gov/about/forms/formn-csr.pdf)

Further Information

If you have any queries on Vanguard ETFs, please visit vanguard.com.au/etf

© 2016 Vanguard Investments Australia Ltd (ABN 72 072 881 086 / AFS Licence 227263) (**Vanguard**) is the issuer of the Prospectus on behalf of the US listed ETFs described in the Prospectus. Vanguard has arranged for the interests in the US ETFs to be made available to Australian investors via CHESS Depositary Interests (CDIs) that are quoted on the AQUA market of the ASX. Vanguard is a wholly owned subsidiary of The Vanguard Group, Inc. based in the US. All rights reserved.

Vanguard Investments Australia Ltd, Level 34, Freshwater Place, 2 Southbank Boulevard, Southbank VIC 3006 vanguard.com.au 1300 655 888

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT
OF
REGISTERED MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number: **811-05972**

Name of Registrant: **Vanguard International Equity Index Funds**

Address of Registrant: **P.O. Box 2600
Valley Forge, PA 19482**

Name and address of agent for service: **Anne E. Robinson, Esquire
P.O. Box 876
Valley Forge, PA 19482**

Registrant's telephone number, including area code: **(610) 669-1000**

Date of fiscal year end: **October 31**

Date of reporting period: **November 1, 2015 – October 31, 2016**

Item 1: Reports to Shareholders



Vanguard®



Annual Report | October 31, 2016

Vanguard FTSE International Index Funds

Vanguard FTSE All-World ex-US Index Fund

Vanguard FTSE All-World ex-US Small-Cap Index Fund

A new format, unwavering commitment

As you begin reading this report, you'll notice that we've made some improvements to the opening sections—based on feedback from you, our clients.

Page 1 starts with a new "Your Fund's Performance at a Glance," a concise, handy summary of how your fund performed during the period.

In the renamed "Chairman's Perspective," Bill McNabb will focus on enduring principles and investment insights.

We've modified some tables, and eliminated some redundancy, but we haven't removed any information.

At Vanguard, we're always looking for better ways to communicate and to help you make sound investment decisions. Thank you for entrusting your assets to us.

Contents

Your Fund's Performance at a Glance.	1
Chairman's Perspective.	4
FTSE All-World ex-US Index Fund.	8
FTSE All-World ex-US Small-Cap Index Fund.	35
Your Fund's After-Tax Returns.	60
About Your Fund's Expenses.	61
Glossary.	63

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.

About the cover: No matter what language you speak, Vanguard has one consistent message and set of principles. Our primary *focus* is on you, our clients. We conduct our business with *integrity* as a faithful *steward* of your assets. This message is shown translated into seven languages, reflecting our expanding global presence.

Your Fund’s Performance at a Glance

- For the 12 months ended October 31, 2016, Vanguard FTSE All-World ex-US Index Fund returned about 1% and Vanguard FTSE All-World ex-US Small-Cap Index Fund returned about 4%.
- Returns for both funds diverged from that of their benchmark indexes in part because of temporary pricing discrepancies arising from fair-value adjustments. Please see the Glossary entry for Fair-Value Pricing.
- Both funds’ returns exceeded the average returns of their peer groups.
- Returns from the Pacific region—the top contributor in both funds—were aided by Japan and Australia, whose currencies strengthened against the U.S. dollar. North America and emerging markets also added to performance.
- European stocks lost ground for the period. The relative strength of the U.S. dollar against local currencies, along with fallout related to the Brexit vote, weighed on Europe’s performance.

Total Returns: Fiscal Year Ended October 31, 2016

	Total Returns
Vanguard FTSE All-World ex-US Index Fund	
Investor Shares	0.98%
ETF Shares	
Market Price	1.13
Net Asset Value	1.17
Admiral™ Shares	1.13
Institutional Shares	1.15
Institutional Plus Shares	1.18
FTSE All-World ex US Index	0.64
International Funds Average	-1.61

International Funds Average: Derived from data provided by Lipper, a Thomson Reuters Company.

	Total Returns
Vanguard FTSE All-World ex-US Small-Cap Index Fund	
Investor Shares	3.95%
ETF Shares	
Market Price	4.40
Net Asset Value	4.11
Institutional Shares	4.11
FTSE Global Small Cap ex US Index	3.40
International Small-Cap Funds Average	1.39

International Small-Cap Funds Average: Derived from data provided by Lipper, a Thomson Reuters Company.

Admiral Shares carry lower expenses and are available to investors who meet certain account-balance requirements. Institutional Shares and Institutional Plus Shares are available to certain institutional investors who meet specific administrative, service, and account-size criteria. The Vanguard ETF® Shares shown are traded on the NYSE Arca exchange and are available only through brokers. The table provides ETF returns based on both the NYSE Arca market price and the net asset value for a share. U.S. Pat. Nos. 6,879,964; 7,337,138; 7,720,749; 7,925,573; 8,090,646; and 8,417,623.

For the ETF Shares, the market price is determined by the midpoint of the bid-offer spread as of the closing time of the New York Stock Exchange (generally 4 p.m., Eastern time). The net asset value is also determined as of the NYSE closing time. For more information about how the ETF Shares' market prices have compared with their net asset value, visit vanguard.com, select your ETF, and then select the Price and Performance tab. The ETF premium/discount analysis there shows the percentages of days on which the ETF Shares' market price was above or below the NAV.

Total Returns: Inception Through October 31, 2016

	Average Annual Return
FTSE All-World ex-US Index Fund Investor Shares (Returns since inception: 3/8/2007)	1.11%
FTSE All-World ex US Index	1.52
International Funds Average	0.57

International Funds Average: Derived from data provided by Lipper, a Thomson Reuters Company.

FTSE All-World ex-US Small-Cap Index Fund Investor Shares (Returns since inception: 4/2/2009)	11.11%
FTSE Global Small Cap ex US Index	11.68
International Small-Cap Funds Average	13.17

International Small-Cap Funds Average: Derived from data provided by Lipper, a Thomson Reuters Company.

The figures shown represent past performance, which is not a guarantee of future results. (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.

Expense Ratios
Your Fund Compared With Its Peer Group

	Investor Shares	ETF Shares	Admiral Shares	Institutional Shares	Institutional Plus Shares	Peer Group Average
FTSE All-World ex-US Index Fund	0.26%	0.13%	0.13%	0.11%	0.09%	1.37%
FTSE All-World ex-US Small-Cap Index Fund	0.31	0.17	—	0.15	—	1.59

The fund expense ratios shown are from the prospectus dated February 26, 2016, and represent estimated costs for the current fiscal year. For the fiscal year ended October 31, 2016, the funds' expense ratios were: for the FTSE All-World ex-US Index Fund, 0.23% for Investor Shares, 0.11% for ETF Shares, 0.11% for Admiral Shares, 0.10% for Institutional Shares, and 0.07% for Institutional Plus Shares; and for the FTSE All-World ex-US Small-Cap Index Fund, 0.27% for Investor Shares, 0.13% for ETF Shares, and 0.12% for Institutional Shares. The peer-group expense ratios are derived from data provided by Lipper, a Thomson Reuters Company, and capture information through year-end 2015.

Peer groups: For the FTSE All-World ex-US Index Fund, International Funds; and for the FTSE All-World ex-US Small-Cap Index Fund, International Small-Cap Funds.

Chairman's Perspective



Bill McNabb

Chairman and Chief Executive Officer

Dear Shareholder,

Over the three years ended August 31, 2016, investors poured more than \$1 trillion into index funds. Indexing now accounts for nearly a third of all mutual fund assets—more than double what it did a decade ago and eight times its share two decades ago.¹

By contrast, active management's commercial struggles have reflected its disappointing investment performance. Over the decade ended December 31, 2015, 82% of actively managed stock funds and 81% of active bond funds have either underperformed their benchmarks or shut down.

This subpar performance has fueled the explosion of asset growth in indexing among individual, retirement, and nonprofit investors. So what might the trend mean for the future of actively managed funds?

Our research and experience indicate that active management can survive—and even succeed—but only if it's offered at much lower expense.

High costs, which limit a manager's ability to deliver benchmark-beating returns to clients, are the biggest reason why active has lagged. Industrywide as of December 31, 2015, the average expense ratio for all active stock funds is 1.14%, compared with 0.76% for stock index

¹ Sources: Wall Street Journal; Morningstar, Inc.; and Investment Company Institute, 2016.

funds. And the expense advantage is even wider for bonds; the average expense ratio for an active bond fund is 0.93%, compared with 0.43% for bond index funds.

But even these big differences understate the real gap. These days, it's not hard to find an index fund that charges maybe 0.05% or 0.10%. So even if you have identified active managers who are skilled at selecting stocks and bonds, to match the return of a comparable (much cheaper) index fund would require significant outperformance. Think about it. Any fund that charges 1.00% in expenses—not even the high end of the range—will find it extraordinarily difficult to overcome the index fund's head start.

Active management also has taken a hit from a regulatory environment that has been favorable to low-cost strategies. The U.S. Department of Labor several years ago mandated greater disclosure of retirement plan fees. And its new fiduciary rule, which is set to take effect in April, requires financial advisors to demonstrate that their recommendations are aligned with their clients' best interest. Both changes encourage the use of lower-cost investments, including index funds.

The future of active management

In light of all this, people have been asking me whether active management is “dead.” My response is both yes and no. High-cost active management is dead, and rightly so. It has never been a winning proposition

Market Barometer

	Average Annual Total Returns Periods Ended October 31, 2016		
	One Year	Three Years	Five Years
Stocks			
Russell 1000 Index (Large-caps)	4.26%	8.48%	13.51%
Russell 2000 Index (Small-caps)	4.11	4.12	11.51
Russell 3000 Index (Broad U.S. market)	4.24	8.13	13.35
FTSE All-World ex US Index (International)	0.64	-0.94	4.09
Bonds			
Bloomberg Barclays U.S. Aggregate Bond Index (Broad taxable market)	4.37%	3.48%	2.90%
Bloomberg Barclays Municipal Bond Index (Broad tax-exempt market)	4.06	4.89	4.34
Citigroup Three-Month U.S. Treasury Bill Index	0.22	0.07	0.07
CPI			
Consumer Price Index	1.64%	1.15%	1.32%

for investors. Low-cost active funds, though, can potentially play an important role for investors who seek to outperform the market.

Paying less for your funds is the only sure-fire way to improve your odds of achieving success in active management. But even if you have found an active manager with low costs, the odds of outperforming the market are still long. You have to be able to identify talented stock and bond portfolio managers with long time horizons and clear investment strategies. Look for managers with consistent track records and the discipline to stick closely to their investment strategy.

Know what you own and why

Despite the well-deserved reputation of indexing and the challenges for active managers, there's still a place for traditional active strategies that are low-cost, diversified, and highly disciplined, and are run by talented managers who focus on the long term.

Vanguard has always applied these principles to our active strategies, and investors have benefited as a majority of our active funds outperformed their benchmarks and bested their peers' average annual return over the ten years ended September 30, 2016.

Worried about the election's impact on your portfolio?

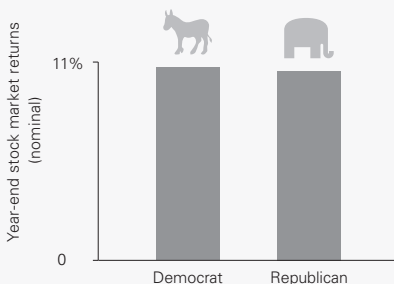
The 2016 presidential election season was one of the most intense and unpredictable in U.S. history. In its aftermath, investors may be left with lingering questions about what the outcome will mean for their portfolios. The answer, based on Vanguard research into decades of historical data, is that presidential elections typically have no long-term effect on market performance.

These findings hold true regardless of the market's initial reaction. Whether there's a swoon or bounce immediately after an election, investors shouldn't extrapolate that performance to the long term.

As you can see in the accompanying chart, data going back to 1853 show that stock market returns are virtually identical no matter which party controls the White House. Although headlines out of Washington at any given time may still cause concern, investors

shouldn't overreact to short-term events. Instead, it's best to maintain a balanced and diversified portfolio and stay focused on your long-term goals.

Average annual stock market returns based on party control of the White House (1853–2015)



Sources: Global Financial Data, 1853–1926; Morningstar, Inc., and Ibbotson Associates thereafter through 2015.

But it's crucial for investors to be patient. Even active managers with the best track records frequently underperform their benchmarks when their investment styles are out of favor. Such periods, though temporary, can persist. So it's important when entrusting your assets to an active strategy to be in it for the long haul.

Make sure you know what you're buying and what the risks are. Active strategies are becoming more complex, so it's important to clearly understand what the investments in your portfolio are designed to accomplish and why you want to hold them. Otherwise, you run the risk of selecting strategies that don't fit your needs or objectives.

Keeping these considerations in mind can potentially boost your chances of success in identifying active strategies that may be able to help you reach your goals.

As always, thank you for investing with Vanguard.

Sincerely,

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

F. William McNabb III
Chairman and Chief Executive Officer
November 9, 2016

FTSE All-World ex-US Index Fund

Fund Profile

As of October 31, 2016

Share-Class Characteristics

	Investor Shares	ETF Shares	Admiral Shares	Institutional Shares	Institutional Plus Shares
Ticker Symbol	VFWIX	VEU	VFWAX	VFWSX	VFWPX
Expense Ratio ¹	0.26%	0.13%	0.13%	0.11%	0.09%

Portfolio Characteristics

	Fund	FTSE All-World ex US Index
Number of Stocks	2,586	2,426
Median Market Cap	\$27.5B	\$27.5B
Price/Earnings Ratio	20.3x	20.6x
Price/Book Ratio	1.6x	1.6x
Return on Equity	14.6%	14.7%
Earnings Growth Rate	7.0%	7.2%
Dividend Yield	3.0%	3.0%
Turnover Rate	5%	—
Short-Term Reserves	-0.3%	—

Sector Diversification (% of equity exposure)

	Fund	FTSE All-World ex US Index
Basic Materials	7.5%	7.6%
Consumer Goods	16.8	16.8
Consumer Services	8.2	8.2
Financials	25.9	25.7
Health Care	7.8	7.8
Industrials	13.6	13.7
Oil & Gas	6.6	6.6
Technology	5.4	5.4
Telecommunications	4.6	4.6
Utilities	3.6	3.6

Volatility Measures

	FTSE All-World ex US Index
R-Squared	0.98
Beta	0.96

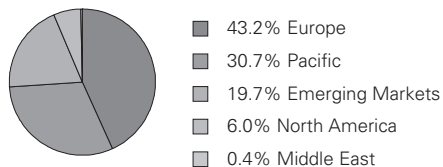
These measures show the degree and timing of the fund's fluctuations compared with the index over 36 months.

Ten Largest Holdings (% of total net assets)

Nestle SA	Food Products	1.3%
Royal Dutch Shell plc	Integrated Oil & Gas	1.1
Novartis AG	Pharmaceuticals	0.9
Roche Holding AG	Pharmaceuticals	0.9
Samsung Electronics Co. Ltd.	Consumer Electronics	0.9
Toyota Motor Corp.	Automobiles	0.9
HSBC Holdings plc	Banks	0.8
Taiwan Semiconductor Manufacturing Co. Ltd.	Semiconductors	0.8
Tencent Holdings Ltd.	Internet	0.8
Unilever	Personal Products	0.6
Top Ten		9.0%

The holdings listed exclude any temporary cash investments and equity index products.

Allocation by Region (% of equity exposure)



¹ The expense ratios shown are from the prospectus dated February 26, 2016, and represent estimated costs for the current fiscal year. For the fiscal year ended October 31, 2016, the expense ratios were 0.23% for Investor Shares, 0.11% for ETF Shares, 0.11% for Admiral Shares, 0.10% for Institutional Shares, and 0.07% for Institutional Plus Shares.

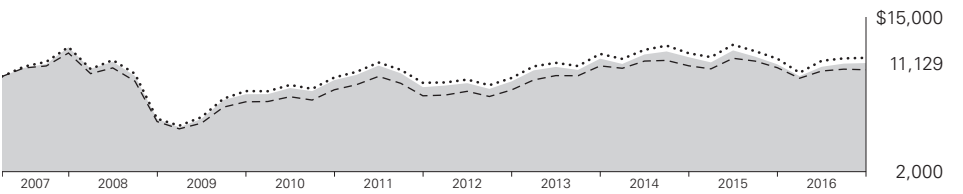
Market Diversification (% of equity exposure)

	Fund	FTSE All-World ex US Index
Europe		
United Kingdom	12.8%	12.8%
France	6.6	6.5
Germany	6.4	6.3
Switzerland	6.0	6.1
Spain	2.2	2.2
Netherlands	2.2	2.2
Sweden	1.9	1.9
Italy	1.4	1.4
Denmark	1.2	1.2
Other	2.5	2.4
Subtotal	43.2%	43.0%
Pacific		
Japan	18.4%	18.5%
Australia	5.2	5.2
South Korea	3.3	3.3
Hong Kong	2.7	2.8
Other	1.1	1.1
Subtotal	30.7%	30.9%
Emerging Markets		
China	4.9%	4.9%
Taiwan	2.9	2.9
India	2.4	2.4
Brazil	2.0	2.0
South Africa	1.8	1.8
Mexico	1.0	1.0
Other	4.7	4.7
Subtotal	19.7%	19.7%
North America		
Canada	6.0%	6.0%
Middle East	0.4%	0.4%

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.

Cumulative Performance: March 8, 2007, Through October 31, 2016
Initial Investment of \$10,000



	Average Annual Total Returns Periods Ended October 31, 2016			Final Value of a \$10,000 Investment
	One Year	Five Years	Since Inception (3/8/2007)	
FTSE All-World ex-US Index Fund Investor Shares	0.98%	4.10%	1.11%	\$11,129
FTSE All-World ex US Index	0.64	4.09	1.52	11,568
International Funds Average	-1.61	4.75	0.57	10,564

International Funds Average: Derived from data provided by Lipper, a Thomson Reuters Company.

"Since Inception" performance is calculated from the Investor Shares' inception date for both the fund and its comparative standards.

	One Year	Five Years	Since Inception (3/2/2007)	Final Value of a \$10,000 Investment
FTSE All-World ex-US Index Fund ETF Shares Net Asset Value	1.17%	4.26%	1.47%	\$11,517
FTSE All-World ex US Index	0.64	4.09	1.61	11,670

"Since Inception" performance is calculated from the ETF Shares' inception date for both the fund and its comparative standard.

FTSE All-World ex-US Index Fund

	Average Annual Total Returns Periods Ended October 31, 2016			Final Value of a \$10,000 Investment
	One Year	Five Years	Since Inception (9/27/2011)	
FTSE All-World ex-US Index Fund Admiral Shares	1.13%	4.25%	5.65%	\$13,230
FTSE All-World ex US Index	0.64	4.09	5.65	13,233

"Since Inception" performance is calculated from the Admiral Shares' inception date for both the fund and its comparative standard.

	One Year	Five Years	Since Inception (4/30/2007)	Final Value of a \$5,000,000 Investment
FTSE All-World ex-US Index Fund Institutional Shares	1.15%	4.28%	0.58%	\$5,284,965
FTSE All-World ex US Index	0.64	4.09	0.69	5,337,441

"Since Inception" performance is calculated from the Institutional Shares' inception date for both the fund and its comparative standard.

	One Year	Five Years	Since Inception (12/16/2010)	Final Value of a \$100,000,000 Investment
FTSE All-World ex-US Index Fund Institutional Plus Shares	1.18%	4.30%	2.31%	\$114,346,650
FTSE All-World ex US Index	0.64	4.09	2.43	115,158,977

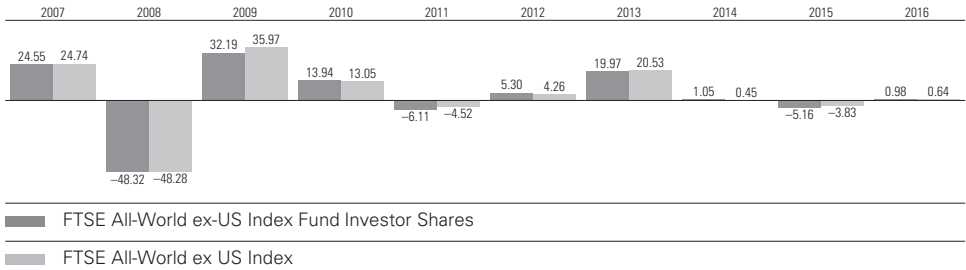
"Since Inception" performance is calculated from the Institutional Plus Shares' inception date for both the fund and its comparative standard.

Cumulative Returns of ETF Shares: March 2, 2007, Through October 31, 2016

	One Year	Five Years	Since Inception (3/2/2007)
FTSE All-World ex-US Index Fund ETF Shares Market Price	1.13%	23.36%	15.16%
FTSE All-World ex-US Index Fund ETF Shares Net Asset Value	1.17	23.22	15.17
FTSE All-World ex US Index	0.64	22.16	16.70

"Since Inception" performance is calculated from the ETF Shares' inception date for both the fund and its comparative standard.

Fiscal-Year Total Returns (%): March 8, 2007, Through October 31, 2016



Index returns are adjusted for withholding taxes applicable to U.S.-based mutual funds organized as Delaware statutory trusts.

Average Annual Total Returns: Periods Ended September 30, 2016

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	Since Inception
Investor Shares	3/8/2007	9.23%	6.55%	1.30%
ETF Shares	3/2/2007			
Market Price		9.73	6.94	1.67
Net Asset Value		9.43	6.71	1.66
Admiral Shares	9/27/2011	9.43	6.71	6.10
Institutional Shares	4/30/2007	9.41	6.73	0.76
Institutional Plus Shares	12/16/2010	9.45	6.76	2.63

Financial Statements

Statement of Net Assets—Investments Summary

As of October 31, 2016

This Statement summarizes the fund's holdings by asset type. Details are reported for each of the fund's 50 largest individual holdings and for investments that, in total for any issuer, represent more than 1% of the fund's net assets. The total value of smaller holdings is reported as a single amount within each category.

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 complete listing of the fund's holdings is available electronically on vanguard.com and on the Securities and Exchange Commission's website (sec.gov), or you can have it mailed to you without charge by calling 800-662-7447. For the first and third fiscal quarters, the fund files the lists with the SEC on Form N-Q. Shareholders can look up the fund's Forms N-Q on the SEC's website. 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)	Percentage of Net Assets
Common Stocks			
Australia			
Commonwealth Bank of Australia	2,360,406	131,407	0.5%
Westpac Banking Corp.	4,617,441	106,779	0.5%
Australia & New Zealand Banking Group Ltd.	4,039,059	85,287	0.4%
National Australia Bank Ltd.	3,676,363	78,040	0.3%
BHP Billiton Ltd.	4,460,174	77,923	0.3%
Australia—Other †		800,402	3.2%
		1,279,838	5.2%
Austria †		34,418	0.1%
Belgium			
* Anheuser-Busch InBev SA/NV	1,108,561	127,230	0.5%
Belgium—Other †		98,689	0.4%
		225,919	0.9%
Brazil †		489,154	2.0%
Canada			
Royal Bank of Canada	2,056,744	128,499	0.5%
Toronto-Dominion Bank	2,563,836	116,331	0.5%
Bank of Nova Scotia	1,681,324	90,352	0.3%
Suncor Energy Inc.	2,313,081	69,411	0.3%
† Canada—Other †		1,069,780	4.3%
		1,474,373	5.9%
Chile †		67,695	0.3%
China			
Tencent Holdings Ltd.	7,425,447	196,792	0.8%
China Construction Bank Corp.	126,971,544	92,721	0.4%
China Mobile Ltd.	7,398,567	84,761	0.4%

	Shares	Market Value* (\$000)	Percentage of Net Assets
Industrial & Commercial Bank of China Ltd.	100,120,640	60,096	0.3%
Bank of China Ltd.	104,597,788	46,872	0.2%
CNOOC Ltd.	22,367,400	28,144	0.1%
China Petroleum & Chemical Corp.	35,497,284	25,672	0.1%
China Life Insurance Co. Ltd.	10,351,341	25,627	0.1%
PetroChina Co. Ltd.	29,249,234	20,013	0.1%
China Overseas Land & Investment Ltd.	5,315,820	16,319	0.1%
Agricultural Bank of China Ltd.	35,794,233	15,058	0.1%
China Telecom Corp. Ltd.	22,411,541	11,555	0.1%
PICC Property & Casualty Co. Ltd.	6,372,396	10,286	0.1%
CITIC Ltd.	6,851,275	9,831	0.1%
China Shenhua Energy Co. Ltd.	4,716,388	9,778	0.1%
China Unicom Hong Kong Ltd.	7,971,713	9,359	0.1%
China Resources Land Ltd.	3,742,214	9,294	0.0%
Sinopharm Group Co. Ltd.	1,455,703	7,069	0.0%
China Communications Construction Co. Ltd.	6,189,026	6,796	0.0%
China CITIC Bank Corp. Ltd.	10,531,189	6,792	0.0%
CRRC Corp. Ltd.	5,652,053	5,118	0.0%
¹ China Galaxy Securities Co. Ltd.	5,184,777	4,922	0.0%
[*] China Resources Beer Holdings Co. Ltd.	2,227,861	4,734	0.0%
China Cinda Asset Management Co. Ltd.	12,660,693	4,548	0.0%
China Resources Power Holdings Co. Ltd.	2,674,409	4,531	0.0%
China Merchants Port Holdings Co. Ltd.	1,668,031	4,313	0.0%
Dongfeng Motor Group Co. Ltd.	4,078,627	4,251	0.0%
China Railway Group Ltd.	5,379,352	4,147	0.0%
¹ CGN Power Co. Ltd.	13,727,267	4,008	0.0%
[*] China Taiping Insurance Holdings Co. Ltd.	2,060,364	3,966	0.0%
China State Construction International Holdings Ltd.	2,492,727	3,637	0.0%
China Longyuan Power Group Corp. Ltd.	4,694,785	3,580	0.0%
¹ People's Insurance Co. Group of China Ltd.	8,775,161	3,487	0.0%
China Resources Gas Group Ltd.	1,098,547	3,445	0.0%
Zhuzhou CRRC Times Electric Co. Ltd.	707,009	3,419	0.0%
^{*,1} China Huarong Asset Management Co. Ltd.	8,652,874	3,308	0.0%
China Railway Construction Corp. Ltd.	2,596,745	3,246	0.0%
Kunlun Energy Co. Ltd.	3,911,523	2,947	0.0%
Sinopec Shanghai Petrochemical Co. Ltd.	4,858,331	2,477	0.0%
China Oilfield Services Ltd.	2,504,300	2,404	0.0%
AviChina Industry & Technology Co. Ltd.	3,357,954	2,279	0.0%
[^] China Reinsurance Group Corp.	9,508,576	2,263	0.0%
Beijing Capital International Airport Co. Ltd.	2,104,557	2,203	0.0%
China Jinmao Holdings Group Ltd.	7,056,005	1,946	0.0%
Huaneng Renewables Corp. Ltd.	5,663,075	1,898	0.0%
¹ China Railway Signal & Communication Corp. Ltd.	2,246,068	1,821	0.0%
Chongqing Changan Automobile Co. Ltd. Class B	1,163,079	1,773	0.0%
¹ Sinopec Engineering Group Co. Ltd.	2,006,381	1,771	0.0%
[*] China Coal Energy Co. Ltd.	2,991,638	1,694	0.0%
Air China Ltd.	2,540,115	1,669	0.0%
China Power International Development Ltd.	4,575,787	1,664	0.0%
China Southern Airlines Co. Ltd.	2,445,017	1,372	0.0%
[^] Metallurgical Corp. of China Ltd.	4,095,562	1,332	0.0%
Sinotrans Ltd.	2,648,860	1,247	0.0%
^{*,^} China COSCO Holdings Co. Ltd.	3,555,160	1,225	0.0%
[*] China Agri-Industries Holdings Ltd.	3,033,447	1,185	0.0%
China Resources Cement Holdings Ltd.	2,821,334	1,139	0.0%
[^] China Eastern Airlines Corp. Ltd.	2,101,145	943	0.0%
Huadian Fuxin Energy Corp. Ltd.	3,576,005	828	0.0%

FTSE All-World ex-US Index Fund

	Shares	Market Value* (\$000)	Percentage of Net Assets
*^ Angang Steel Co. Ltd.	1,575,537	807	0.0%
China Machinery Engineering Corp.	1,275,516	761	0.0%
Shanghai Baosight Software Co. Ltd. Class B	308,442	534	0.0%
China BlueChemical Ltd.	2,631,895	509	0.0%
^ CSSC Offshore and Marine Engineering Group Co. Ltd.	332,873	502	0.0%
China National Accord Medicines Corp. Ltd. Class B	73,286	458	0.0%
^ China Foods Ltd.	918,843	406	0.0%
*^ CITIC Resources Holdings Ltd.	3,012,222	376	0.0%
China National Materials Co. Ltd.	1,580,369	356	0.0%
^ Sinofert Holdings Ltd.	2,319,208	304	0.0%
1 China—Other †		398,604	1.6%
		1,203,192	4.8%
Colombia †		27,114	0.1%
1Czech Republic †		10,578	0.0%
Denmark			
Novo Nordisk A/S Class B	2,564,623	91,366	0.4%
1 Denmark—Other †		198,666	0.8%
		290,032	1.2%
Egypt †		14,185	0.1%
Finland †		176,863	0.7%
France			
TOTAL SA	2,988,449	143,162	0.6%
Sanofi	1,551,184	120,712	0.5%
BNP Paribas SA	1,357,302	78,701	0.3%
1 France—Other †		1,258,899	5.1%
		1,601,474	6.5%
Germany			
Siemens AG	1,056,408	120,027	0.5%
Bayer AG	1,149,306	114,115	0.5%
BASF SE	1,282,979	113,259	0.4%
SAP SE	1,242,220	109,439	0.4%
Allianz SE	631,900	98,643	0.4%
Daimler AG	1,324,208	94,472	0.4%
Deutsche Telekom AG	4,455,828	72,698	0.3%
1 Germany—Other †		834,341	3.4%
		1,556,994	6.3%
Greece †		19,051	0.1%
Hong Kong			
AIA Group Ltd.	16,738,852	105,304	0.4%
BOC Hong Kong Holdings Ltd.	4,992,196	17,794	0.1%
^ China Travel International Investment Hong Kong Ltd.	3,505,542	1,010	0.0%
1 Hong Kong—Other †		555,871	2.2%
		679,979	2.7%
Hungary †		16,758	0.1%

FTSE All-World ex-US Index Fund

	Shares	Market Value* (\$000)	Percentage of Net Assets
India			
Nestle India Ltd.	32,014	3,350	0.0%
¹ India—Other †		591,178	2.4%
		594,528	2.4%
Indonesia †		137,660	0.6%
Ireland †		39,854	0.2%
Israel †		106,469	0.4%
¹Italy †		348,951	1.4%
Japan			
Toyota Motor Corp.	3,797,791	220,298	0.9%
Mitsubishi UFJ Financial Group Inc.	18,902,259	97,532	0.4%
KDDI Corp.	2,578,464	78,368	0.3%
SoftBank Group Corp.	1,195,468	75,292	0.3%
Honda Motor Co. Ltd.	2,492,379	74,576	0.3%
Japan—Other †		3,960,789	16.0%
		4,506,855	18.2%
¹Malaysia †		181,441	0.7%
Malta †		—	0.0%
¹Mexico †		233,634	0.9%
Netherlands			
Unilever NV	2,163,079	90,473	0.3%
ING Groep NV	5,367,265	70,456	0.3%
¹ Netherlands—Other †		369,494	1.5%
		530,423	2.1%
New Zealand †		46,672	0.2%
Norway †		102,699	0.4%
Other²			
³ Vanguard FTSE Emerging Markets ETF	1,921,981	72,555	0.3%
Pakistan †		2,801	0.0%
Peru †		14,602	0.1%
Philippines †		77,137	0.3%
Poland †		64,129	0.3%
Portugal †		26,570	0.1%
Qatar †		26,379	0.1%
Russia †		219,281	0.9%

	Shares	Market Value* (\$000)	Percentage of Net Assets
Singapore †		220,443	0.9%
South Africa			
Naspers Ltd.	596,325	99,873	0.4%
South Africa—Other †		331,949	1.3%
		431,822	1.7%
South Korea			
Samsung Electronics Co. Ltd. GDR	207,312	145,846	0.6%
South Korea—Other †		671,996	2.7%
		817,842	3.3%
Spain			
Banco Santander SA	19,213,676	94,148	0.4%
¹ Spain—Other †		446,008	1.8%
		540,156	2.2%
Sweden †		471,565	1.9%
Switzerland			
Nestle SA	4,286,842	310,856	1.3%
Novartis AG	3,284,554	233,097	0.9%
Roche Holding AG	986,046	226,477	0.9%
Switzerland—Other †		715,967	2.9%
		1,486,397	6.0%
Taiwan			
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	5,137,610	159,780	0.6%
Taiwan—Other †		545,544	2.2%
		705,324	2.8%
Thailand †		177,816	0.7%
Turkey †		67,231	0.3%
United Arab Emirates †		53,405	0.2%
United Kingdom			
HSBC Holdings plc	27,535,770	207,376	0.8%
BP plc	26,106,062	154,332	0.6%
Royal Dutch Shell plc Class A	6,012,207	149,747	0.6%
British American Tobacco plc	2,590,633	148,477	0.6%
Royal Dutch Shell plc Class B	5,205,540	134,265	0.6%
GlaxoSmithKline plc	6,756,928	133,479	0.5%
Vodafone Group plc	36,922,380	101,401	0.4%
AstraZeneca plc	1,753,877	98,209	0.4%
Diageo plc	3,500,553	93,173	0.4%
Reckitt Benckiser Group plc	873,885	78,179	0.3%
Unilever plc	1,676,747	70,003	0.3%
¹ United Kingdom—Other †		1,765,131	7.1%
		3,133,772	12.6%
Total Common Stocks (Cost \$24,530,754)		24,606,030	99.2%⁴

	Coupon	Shares	Market Value* (\$000)	Percentage of Net Assets
Temporary Cash Investments				
Money Market Fund				
^{5,6} Vanguard Market Liquidity Fund	0.718%	3,664,523	366,489	1.5%
^{7,8} U.S. Government and Agency Obligations †			29,189	0.1%
Total Temporary Cash Investments (Cost \$395,649)			395,678	1.6%⁴
Total Investments (Cost \$24,926,403)			25,001,708	100.8%

	Amount (\$000)	
Other Assets and Liabilities		
Other Assets		
Investment in Vanguard	1,916	
Receivables for Investment Securities Sold	287	
Receivables for Accrued Income	82,661	
Receivables for Capital Shares Issued	7,561	
Other Assets	20,566	
Total Other Assets	112,991	0.5%
Liabilities		
Payables for Investment Securities Purchased	(6,554)	
Collateral for Securities on Loan	(273,828)	
Payables for Capital Shares Redeemed	(16,084)	
Payables to Vanguard	(12,577)	
Other Liabilities	(11,208)	
Total Liabilities	(320,251)	(1.3%)
Net Assets	24,794,448	100.0%

At October 31, 2016, net assets consisted of:

	Amount (\$000)
Paid-in Capital	25,932,684
Undistributed Net Investment Income	71,432
Accumulated Net Realized Losses	(1,280,410)
Unrealized Appreciation (Depreciation)	
Investment Securities	75,305
Futures Contracts	6,152
Forward Currency Contracts	(7,277)
Foreign Currencies	(3,438)
Net Assets	24,794,448

Investor Shares—Net Assets

Applicable to 30,116,872 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	529,825
Net Asset Value Per Share—Investor Shares	\$17.59

	Amount (\$000)
ETF Shares—Net Assets	
Applicable to 313,529,835 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	13,982,600
Net Asset Value Per Share—ETF Shares	\$44.60
Admiral Shares—Net Assets	
Applicable to 131,144,325 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	3,635,494
Net Asset Value Per Share—Admiral Shares	\$27.72
Institutional Shares—Net Assets	
Applicable to 50,347,123 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	4,424,285
Net Asset Value Per Share—Institutional Shares	\$87.88
Institutional Plus Shares—Net Assets	
Applicable to 23,879,953 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	2,222,244
Net Asset Value Per Share—Institutional Plus Shares	\$93.06

• See Note A in Notes to Financial Statements.

* Non-income-producing security.

^ Includes partial security positions on loan to broker-dealers. The total value of securities on loan is \$255,125,000.

† Represents the aggregate value, by category, of securities that are not among the 50 largest holdings and, in total for any issuer, represent 1% or less of net assets.

1 Security exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be sold in transactions exempt from registration, normally to qualified institutional buyers. At October 31, 2016, the aggregate value of these securities was \$149,411,000, representing 0.6% of net assets.

2 "Other" represents securities that are not classified by the fund's benchmark index.

3 Considered an affiliated company of the fund as the issuer is another member of The Vanguard Group.

4 The fund invests a portion of its cash reserves in equity markets through the use of index futures contracts. After giving effect to futures investments, the fund's effective common stock and temporary cash investment positions represent 100.0% and 0.8%, respectively, of net assets.

5 Affiliated money market fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown is the 7-day yield.

6 Includes \$273,828,000 of collateral received for securities on loan.

7 Securities with a value of \$11,895,000 have been segregated as initial margin for open futures contracts.

8 Securities with a value of \$8,163,000 have been segregated as collateral for open forward currency contracts.

ADR—American Depositary Receipt.

GDR—Global Depositary Receipt.

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

Statement of Operations

Year Ended
October 31, 2016
(\$000)

Investment Income	
Income	
Dividends ^{1,2}	718,551
Interest ²	732
Securities Lending—Net	20,548
Total Income	739,831
Expenses	
The Vanguard Group—Note B	
Investment Advisory Services	2,563
Management and Administrative—Investor Shares	896
Management and Administrative—ETF Shares	9,603
Management and Administrative—Admiral Shares	2,278
Management and Administrative—Institutional Shares	2,946
Management and Administrative—Institutional Plus Shares	950
Marketing and Distribution—Investor Shares	147
Marketing and Distribution—ETF Shares	778
Marketing and Distribution—Admiral Shares	368
Marketing and Distribution—Institutional Shares	106
Marketing and Distribution—Institutional Plus Shares	43
Custodian Fees	4,071
Auditing Fees	41
Shareholders' Reports—Investor Shares	12
Shareholders' Reports—ETF Shares	269
Shareholders' Reports—Admiral Shares	21
Shareholders' Reports—Institutional Shares	13
Shareholders' Reports—Institutional Plus Shares	9
Trustees' Fees and Expenses	12
Total Expenses	25,126
Net Investment Income	714,705
Realized Net Gain (Loss)	
Investment Securities Sold ²	42,503
Futures Contracts	(4,416)
Foreign Currencies and Forward Currency Contracts	(797)
Realized Net Gain (Loss)	37,290
Change in Unrealized Appreciation (Depreciation)	
Investment Securities	(522,789)
Futures Contracts	1,955
Foreign Currencies and Forward Currency Contracts	(6,178)
Change in Unrealized Appreciation (Depreciation)	(527,012)
Net Increase (Decrease) in Net Assets Resulting from Operations	224,983

¹ Dividends are net of foreign withholding taxes of \$49,957,000.

² Dividend income, interest income, and realized net gain (loss) from affiliated companies of the fund were \$2,052,000, \$647,000, and (\$2,198,000), respectively.

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

Statement of Changes in Net Assets

	Year Ended October 31,	
	2016 (\$'000)	2015 (\$'000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	714,705	680,179
Realized Net Gain (Loss)	37,290	(31,448)
Change in Unrealized Appreciation (Depreciation)	(527,012)	(2,004,442)
Net Increase (Decrease) in Net Assets Resulting from Operations	224,983	(1,355,711)
Distributions		
Net Investment Income		
Investor Shares	(15,116)	(14,940)
ETF Shares	(386,248)	(373,817)
Admiral Shares	(95,215)	(81,360)
Institutional Shares	(126,359)	(129,879)
Institutional Plus Shares	(70,228)	(67,629)
Realized Capital Gain		
Investor Shares	—	—
ETF Shares	—	—
Admiral Shares	—	—
Institutional Shares	—	—
Institutional Plus Shares	—	—
Total Distributions	(693,166)	(667,625)
Capital Share Transactions		
Investor Shares	(24,599)	59,412
ETF Shares	768,493	2,248,885
Admiral Shares	512,292	846,073
Institutional Shares	7,308	148,032
Institutional Plus Shares	(383,469)	711,587
Net Increase (Decrease) from Capital Share Transactions	880,025	4,013,989
Total Increase (Decrease)	411,842	1,990,653
Net Assets		
Beginning of Period	24,382,606	22,391,953
End of Period ¹	24,794,448	24,382,606

¹ Net Assets—End of Period includes undistributed (overdistributed) net investment income of \$71,432,000 and \$45,885,000.

Financial Highlights

Investor Shares

For a Share Outstanding Throughout Each Period	Year Ended October 31,				
	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$17.92	\$19.40	\$19.81	\$17.03	\$16.95
Investment Operations					
Net Investment Income	.494	.502	.627 ¹	.482	.448
Net Realized and Unrealized Gain (Loss) on Investments	(.341)	(1.484)	(.413)	2.850	.397
Total from Investment Operations	.153	(.982)	.214	3.332	.845
Distributions					
Dividends from Net Investment Income	(.483)	(.498)	(.624)	(.552)	(.765)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(.483)	(.498)	(.624)	(.552)	(.765)
Net Asset Value, End of Period	\$17.59	\$17.92	\$19.40	\$19.81	\$17.03
Total Return²	0.98%	-5.16%	1.05%	19.97%	5.30%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$530	\$565	\$552	\$637	\$543
Ratio of Total Expenses to Average Net Assets	0.23%	0.26%	0.29%	0.30%	0.30%
Ratio of Net Investment Income to Average Net Assets	2.89%	2.70%	3.18% ¹	2.69%	3.13%
Portfolio Turnover Rate ³	5%	3%	4%	8%	6%

¹ Net investment income per share and the ratio of net investment income to average net assets include \$.088 and 0.44%, respectively, resulting from income received from Vodafone Group plc in the form of cash and shares in Verizon Communications Inc. in February 2014.

² Total returns do not include transaction or account service fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable transaction and account service fees.

³ Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Financial Highlights

ETF Shares

For a Share Outstanding Throughout Each Period	Year Ended October 31,				
	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$45.41	\$49.17	\$50.20	\$43.21	\$43.17
Investment Operations					
Net Investment Income	1.304	1.335	1.665 ¹	1.295	1.324
Net Realized and Unrealized Gain (Loss) on Investments	(.846)	(3.769)	(1.036)	7.204	.884
Total from Investment Operations	.458	(2.434)	.629	8.499	2.208
Distributions					
Dividends from Net Investment Income	(1.268)	(1.326)	(1.659)	(1.509)	(2.168)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(1.268)	(1.326)	(1.659)	(1.509)	(2.168)
Net Asset Value, End of Period	\$44.60	\$45.41	\$49.17	\$50.20	\$43.21
Total Return	1.17%	-5.05%	1.21%	20.12%	5.51%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$13,983	\$13,525	\$12,453	\$11,102	\$7,400
Ratio of Total Expenses to Average Net Assets	0.11%	0.13%	0.14%	0.15%	0.15%
Ratio of Net Investment Income to Average Net Assets	3.01%	2.83%	3.33% ¹	2.84%	3.28%
Portfolio Turnover Rate ²	5%	3%	4%	8%	6%

¹ Net investment income per share and the ratio of net investment income to average net assets include \$.224 and 0.44%, respectively, resulting from income received from Vodafone Group plc in the form of cash and shares in Verizon Communications Inc. in February 2014.

² Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Financial Highlights

Admiral Shares

For a Share Outstanding Throughout Each Period	Year Ended October 31,				
	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$28.23	\$30.57	\$31.21	\$26.86	\$26.86
Investment Operations					
Net Investment Income	.811	.832	1.037 ¹	.805	.818
Net Realized and Unrealized Gain (Loss) on Investments	(.532)	(2.346)	(.644)	4.487	.543
Total from Investment Operations	.279	(1.514)	.393	5.292	1.361
Distributions					
Dividends from Net Investment Income	(.789)	(.826)	(1.033)	(.942)	(1.361)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(.789)	(.826)	(1.033)	(.942)	(1.361)
Net Asset Value, End of Period	\$27.72	\$28.23	\$30.57	\$31.21	\$26.86
Total Return²	1.13%	-5.05%	1.23%	20.14%	5.46%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$3,635	\$3,163	\$2,551	\$1,909	\$1,235
Ratio of Total Expenses to Average Net Assets	0.11%	0.13%	0.14%	0.15%	0.15%
Ratio of Net Investment Income to Average Net Assets	3.01%	2.83%	3.33% ¹	2.84%	3.28%
Portfolio Turnover Rate ³	5%	3%	4%	8%	6%

¹ Net investment income per share and the ratio of net investment income to average net assets include \$.139 and 0.44%, respectively, resulting from income received from Vodafone Group plc in the form of cash and shares in Verizon Communications Inc. in February 2014.

² Total returns do not include transaction or account service fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable transaction and account service fees.

³ Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Financial Highlights

Institutional Shares

For a Share Outstanding Throughout Each Period	Year Ended October 31,				
	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$89.48	\$96.89	\$98.93	\$85.14	\$85.10
Investment Operations					
Net Investment Income	2.577	2.651	3.299 ¹	2.577	2.628
Net Realized and Unrealized Gain (Loss) on Investments	(1.669)	(7.429)	(2.049)	14.215	1.735
Total from Investment Operations	.908	(4.778)	1.250	16.792	4.363
Distributions					
Dividends from Net Investment Income	(2.508)	(2.632)	(3.290)	(3.002)	(4.323)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(2.508)	(2.632)	(3.290)	(3.002)	(4.323)
Net Asset Value, End of Period	\$87.88	\$89.48	\$96.89	\$98.93	\$85.14
Total Return²	1.15%	-5.03%	1.23%	20.16%	5.51%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$4,424	\$4,501	\$4,713	\$4,687	\$3,684
Ratio of Total Expenses to Average Net Assets	0.10%	0.11%	0.12%	0.12%	0.12%
Ratio of Net Investment Income to Average Net Assets	3.02%	2.85%	3.35% ¹	2.87%	3.31%
Portfolio Turnover Rate ³	5%	3%	4%	8%	6%

¹ Net investment income per share and the ratio of net investment income to average net assets include \$.441 and 0.44%, respectively, resulting from income received from Vodafone Group plc in the form of cash and shares in Verizon Communications Inc. in February 2014.

² Total returns do not include transaction fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable transaction fees.

³ Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Financial Highlights

Institutional Plus Shares

For a Share Outstanding Throughout Each Period	Year Ended October 31,				
	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$94.75	\$102.60	\$104.76	\$90.17	\$90.15
Investment Operations					
Net Investment Income	2.754	2.829	3.517 ¹	2.749	2.809
Net Realized and Unrealized Gain (Loss) on Investments	(1.767)	(7.869)	(2.169)	15.050	1.829
Total from Investment Operations	.987	(5.040)	1.348	17.799	4.638
Distributions					
Dividends from Net Investment Income	(2.677)	(2.810)	(3.508)	(3.209)	(4.618)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(2.677)	(2.810)	(3.508)	(3.209)	(4.618)
Net Asset Value, End of Period	\$93.06	\$94.75	\$102.60	\$104.76	\$90.17
Total Return²	1.18%	-5.01%	1.25%	20.18%	5.54%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$2,222	\$2,628	\$2,122	\$1,671	\$1,274
Ratio of Total Expenses to Average Net Assets	0.07%	0.09%	0.10%	0.10%	0.10%
Ratio of Net Investment Income to Average Net Assets	3.05%	2.87%	3.37% ¹	2.89%	3.33%
Portfolio Turnover Rate ³	5%	3%	4%	8%	6%

¹ Net investment income per share and the ratio of net investment income to average net assets include \$.467 and 0.44%, respectively, resulting from income received from Vodafone Group plc in the form of cash and shares in Verizon Communications Inc. in February 2014.

² Total returns do not include transaction fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable transaction fees.

³ Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Notes to Financial Statements

Vanguard FTSE All-World ex-US Index Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund invests in securities of foreign issuers, which may subject it to investment risks not normally associated with investing in securities of U.S. corporations. The fund offers five classes of shares: Investor Shares, ETF Shares, Admiral Shares, Institutional Shares, and Institutional Plus Shares. Investor Shares are available to any investor who meets the fund's minimum purchase requirements. ETF Shares are listed for trading on NYSE Arca; they can be purchased and sold through a broker. Admiral Shares, Institutional Shares, and Institutional Plus Shares are designed for investors who meet certain administrative, service, and account-size criteria.

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

1. Security Valuation: Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Equity securities are valued at the latest quoted sales prices or official closing prices taken from the primary market in which each security trades; such securities not traded on the valuation date are valued at the mean of the latest quoted bid and asked prices. Securities for which market quotations are not readily available, or whose values have been affected by events occurring before the fund's pricing time but after the close of the securities' primary markets, are valued at their fair values calculated according to procedures adopted by the board of trustees. These procedures include obtaining quotations from an independent pricing service, monitoring news to identify significant market- or security-specific events, and evaluating changes in the values of foreign market proxies (for example, ADRs, futures contracts, or exchange-traded funds), between the time the foreign markets close and the fund's pricing time. When fair-value pricing is employed, the prices of securities used by a fund to calculate its net asset value may differ from quoted or published prices for the same securities. Investments in Vanguard Market Liquidity Fund are valued at that fund's net asset value. Temporary cash investments acquired over 60 days to maturity are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services. Other temporary cash investments are valued at amortized cost, which approximates market value.

2. Foreign Currency: Securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars using exchange rates obtained from an independent third party as of the fund's pricing time on the valuation date. Realized gains (losses) and unrealized appreciation (depreciation) on investment securities include the effects of changes in exchange rates since the securities were purchased, combined with the effects of changes in security prices. Fluctuations in the value of other assets and liabilities resulting from changes in exchange rates are recorded as unrealized foreign currency gains (losses) until the assets or liabilities are settled in cash, at which time they are recorded as realized foreign currency gains (losses).

3. Futures and Forward Currency Contracts: The fund uses index futures contracts to a limited extent, with the objectives of maintaining full exposure to the stock market, enhancing returns, maintaining liquidity, and minimizing transaction costs. The fund may purchase futures contracts to immediately invest incoming cash in the market, or sell futures in response to cash outflows, thereby simulating a fully invested position in the underlying index while maintaining a cash balance for liquidity. The fund may seek to enhance returns by using futures contracts instead of the underlying securities when

futures are believed to be priced more attractively than the underlying securities. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of stocks held by the fund and the prices of futures contracts, and the possibility of an illiquid market. Counterparty risk involving futures is mitigated because a regulated clearinghouse is the counterparty instead of the clearing broker. To further mitigate counterparty risk, the fund trades futures contracts on an exchange, monitors the financial strength of its clearing brokers and clearinghouse, and has entered into clearing agreements with its clearing brokers. The clearinghouse imposes initial margin requirements to secure the fund's performance and requires daily settlement of variation margin representing changes in the market value of each contract.

The fund also enters into forward currency contracts to provide the appropriate currency exposure related to any open futures contracts. The fund's risks in using these contracts include movement in the values of the foreign currencies relative to the U.S. dollar and the ability of the counterparties to fulfill their obligations under the contracts. The fund mitigates its counterparty risk by entering into forward currency contracts only with a diverse group of prequalified counterparties, monitoring their financial strength, entering into master netting arrangements with its counterparties, and requiring its counterparties to transfer collateral as security for their performance. In the absence of a default, the collateral pledged or received by the fund cannot be repledged, resold or rehypothecated. The master netting arrangements provide that, in the event of a counterparty's default (including bankruptcy), the fund may terminate the forward currency contracts, determine the net amount owed by either party in accordance with its master netting arrangements, and sell or retain any collateral held up to the net amount owed to the fund under the master netting arrangements. The forward currency contracts contain provisions whereby a counterparty may terminate open contracts if the fund's net assets decline below a certain level, triggering a payment by the fund if the fund is in a net liability position at the time of the termination. The payment amount would be reduced by any collateral the fund has pledged. Any assets pledged as collateral for open contracts are noted in the Statement of Net Assets. The value of collateral received or pledged is compared daily to the value of the forward currency contracts exposure with each counterparty, and any difference, if in excess of a specified minimum transfer amount, is adjusted and settled within two business days.

Futures contracts are valued at their quoted daily settlement prices. Forward currency contracts are valued at their quoted daily prices obtained from an independent third party, adjusted for currency risk based on the expiration date of each contract. The aggregate settlement values and notional amounts of the contracts are not recorded in the Statement of Net Assets. Fluctuations in the value of the contracts are recorded in the Statement of Net Assets as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized gains (losses) on futures or forward currency contracts.

During the year ended October 31, 2016, the fund's average investments in long and short futures contracts represented less than 1% and 0% of net assets, respectively, based on the average of aggregate settlement values at each quarter-end during the period. The fund's average investment in forward currency contracts represented 2% of net assets, based on the average of notional amounts at each quarter-end during the period.

4. 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, 2013–2016), and has concluded that no provision for federal income tax is required in the fund's financial statements.

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

6. Securities Lending: To earn additional income, the fund lends its securities to qualified institutional borrowers. Security loans are subject to termination by the fund at any time, and are required to be secured at all times by collateral in an amount at least equal to the market value of securities loaned. Daily market fluctuations could cause the value of loaned securities to be more or less than the value of the collateral received. When this occurs, the collateral is adjusted and settled on the next business day. The fund further mitigates its counterparty risk by entering into securities lending transactions only with a diverse group of prequalified counterparties, monitoring their financial strength, and entering into master securities lending agreements with its counterparties. The master securities lending agreements provide that, in the event of a counterparty's default (including bankruptcy), the fund may terminate any loans with that borrower, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the fund; however, such actions may be subject to legal proceedings. While collateral mitigates counterparty risk, in the absence of a default the fund may experience delays and costs in recovering the securities loaned. The fund invests cash collateral received in Vanguard Market Liquidity Fund, and records a liability in the Statement of Net Assets for the return of the collateral, during the period the securities are on loan. Securities lending income represents fees charged to borrowers plus income earned on invested cash collateral, less expenses associated with the loan. During the term of the loan, the fund is entitled to all distributions made on or in respect of the loaned securities.

7. Credit Facility: The fund and certain other funds managed by The Vanguard Group ("Vanguard") participate in a \$3.1 billion committed credit facility provided by a syndicate of lenders pursuant to a credit agreement that may be renewed annually; each fund is individually liable for its borrowings, if any, under the credit facility. Borrowings may be utilized for temporary and emergency purposes, and are subject to the fund's regulatory and contractual borrowing restrictions. The participating funds are charged administrative fees and an annual commitment fee of 0.10% of the undrawn amount of the facility; these fees are allocated to the funds based on a method approved by the fund's board of trustees and included in Management and Administrative expenses on the fund's Statement of Operations. Any borrowings under this facility bear interest at a rate based upon the higher of the one-month London Interbank Offered Rate, federal funds effective rate, or overnight bank funding rate plus an agreed-upon spread.

The fund had no borrowings outstanding at October 31, 2016, or at any time during the period then ended.

8. Other: Dividend income is recorded on the ex-dividend date. Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Premiums and discounts on debt securities purchased are amortized and accreted, respectively, to interest income over the lives of the respective securities. 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.

Withholding taxes on foreign dividends and capital gains have been provided for in accordance with the fund's understanding of the applicable countries' tax rules and rates. The fund has filed tax reclaims for previously withheld taxes on dividends earned in certain European Union countries. These filings are subject to various administrative and judicial proceedings within these countries. Such tax reclaims received during the year, if any, are included in dividend income. No other amounts

for additional tax reclaims are reflected in the financial statements due to the uncertainty as to the ultimate resolution of proceedings, the likelihood of receipt of these reclaims, and the potential timing of payment.

Each class of shares has equal rights as to assets and earnings, except that each class separately bears certain class-specific expenses related to maintenance of shareholder accounts (included in Management and Administrative expenses) and shareholder reporting. Marketing and distribution expenses are allocated to each class of shares based on a method approved by the board of trustees. Income, other non-class-specific expenses, and gains and losses on investments are allocated to each class of shares based on its relative net assets.

B. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution services at Vanguard's cost of operations (as defined by the FSA). These costs of operations are allocated to the fund based on methods and guidelines approved by the board of trustees. Vanguard does not require reimbursement in the current period for certain costs of operations (such as deferred compensation/benefits and risk/insurance costs); the fund's liability for these costs of operations is included in Payables to Vanguard on the Statement of Net Assets.

Upon the request of Vanguard, the fund may invest up to 0.40% of its net assets as capital in Vanguard. At October 31, 2016, the fund had contributed to Vanguard capital in the amount of \$1,916,000, representing 0.01% of the fund's net assets and 0.77% of Vanguard's capitalization. The fund's trustees and officers are also directors and employees, respectively, of Vanguard.

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).

The following table summarizes the market value of the fund's investments as of October 31, 2016, based on the inputs used to value them:

Investments	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)
Common Stocks—North and South America	2,255,548	51,024	—
Common Stocks—Other	440,768	21,855,523	3,167
Temporary Cash Investments	366,489	29,189	—
Futures Contracts—Assets ¹	236	—	—
Futures Contracts—Liabilities ¹	(649)	—	—
Forward Currency Contracts—Assets	—	3,203	—
Forward Currency Contracts—Liabilities	—	(10,480)	—
Total	3,062,392	21,928,459	3,167

¹ Represents variation margin on the last day of the reporting period.

D. At October 31, 2016, the fair values of derivatives were reflected in the Statement of Net Assets as follows:

Statement of Net Assets Caption	Equity Contracts (\$000)	Foreign Exchange Contracts (\$000)	Total (\$000)
Other Assets	236	3,203	3,439
Other Liabilities	(649)	(10,480)	(11,129)

Realized net gain (loss) and the change in unrealized appreciation (depreciation) on derivatives for the year ended October 31, 2016, were:

	Equity Contracts (\$000)	Foreign Exchange Contracts (\$000)	Total (\$000)
Realized Net Gain (Loss) on Derivatives			
Futures Contracts	(4,416)	—	(4,416)
Forward Currency Contracts	—	(221)	(221)
Realized Net Gain (Loss) on Derivatives	(4,416)	(221)	(4,637)

Change in Unrealized Appreciation (Depreciation) on Derivatives

Futures Contracts	1,955	—	1,955
Forward Currency Contracts	—	(4,713)	(4,713)
Change in Unrealized Appreciation (Depreciation) on Derivatives	1,955	(4,713)	(2,758)

At October 31, 2016, the aggregate settlement value of open futures contracts and the related unrealized appreciation (depreciation) were:

		(\$000)		
	Expiration	Number of Long (Short) Contracts	Aggregate Settlement Value Long (Short)	Unrealized Appreciation (Depreciation)
Futures Contracts				
Dow Jones EURO STOXX 50	December 2016	2,478	82,932	2,081
Topix Index	December 2016	407	54,029	2,324
FTSE 100 Index	December 2016	425	35,954	1,409
S&P ASX 200 Index	December 2016	186	18,718	338
				6,152

Unrealized appreciation (depreciation) on open Dow Jones EURO STOXX 50 Index and FTSE 100 Index futures contracts is required to be treated as realized gain (loss) for tax purposes.

At October 31, 2016, the fund had open forward currency contracts to receive and deliver currencies as follows. Unrealized appreciation (depreciation) on open forward currency contracts is treated as realized gain (loss) for tax purposes.

Counterparty	Contract Settlement Date	Contract Amount (000)				Unrealized Appreciation (Depreciation) (\$000)
			Receive		Deliver	
The Toronto-Dominion Bank	12/21/16	EUR	101,426	USD	114,476	(2,866)
BNP Paribas	12/13/16	JPY	7,769,440	USD	76,200	(1,984)
Bank of America, N.A.	12/21/16	GBP	39,256	USD	52,535	(4,423)
Goldman Sachs International	12/20/16	AUD	36,733	USD	27,310	597
BNP Paribas	12/21/16	EUR	12,219	USD	13,762	(316)
Citibank, N.A.	12/13/16	JPY	622,515	USD	6,223	(277)
JPMorgan Chase Bank, N.A.	12/21/16	GBP	4,167	USD	5,567	(460)
BNP Paribas	12/20/16	AUD	210	USD	156	3
JPMorgan Chase Bank, N.A.	12/20/16	AUD	135	USD	103	(1)
Bank of America, N.A.	12/13/16	USD	32,500	JPY	3,301,140	966
JPMorgan Chase Bank, N.A.	12/21/16	USD	19,651	EUR	17,737	134
BNP Paribas	12/13/16	USD	18,886	JPY	1,893,500	799
Barclays Bank plc	12/21/16	USD	14,904	EUR	13,331	235
Citibank, N.A.	12/21/16	USD	9,796	EUR	8,986	(92)
Goldman Sachs International	12/13/16	USD	8,597	JPY	891,990	76
Barclays Bank plc	12/21/16	USD	7,675	GBP	6,245	22
JPMorgan Chase Bank, N.A.	12/13/16	USD	6,757	JPY	702,780	44
Goldman Sachs International	12/21/16	USD	6,170	GBP	4,885	183
UBS AG	12/20/16	USD	4,642	AUD	6,148	(29)
JPMorgan Chase Bank, N.A.	12/21/16	USD	3,831	GBP	3,143	(21)
Barclays Bank plc	12/20/16	USD	3,415	AUD	4,510	(11)
JPMorgan Chase Bank, N.A.	12/21/16	USD	2,324	GBP	1,787	134
Citibank, N.A.	12/20/16	USD	2,276	AUD	2,983	10
						(7,277)

AUD—Australian dollar.

EUR—Euro.

GBP—British pound.

JPY—Japanese yen.

USD—U.S. dollar.

At October 31, 2016, the counterparty had deposited in segregated accounts securities with a value of \$737,000 in connection with open forward currency contracts.

E. 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.

During the year ended October 31, 2016, the fund realized net foreign currency losses of \$1,018,000, which decreased distributable net income for tax purposes; accordingly, such losses have been reclassified from accumulated net realized losses to undistributed net investment income.

During the year ended October 31, 2016, the fund realized \$259,929,000 of net capital gains resulting from in-kind redemptions—in which shareholders exchanged fund shares for securities held by the fund rather than for cash. Because such gains are not taxable to the fund, and are not distributed to shareholders, they have been reclassified from accumulated net realized losses to paid-in capital.

For tax purposes, at October 31, 2016, the fund had \$146,451,000 of ordinary income available for distribution. At October 31, 2016, the fund had available capital losses totaling \$1,284,197,000 to offset future net capital gains. Of this amount, \$249,855,000 is subject to expiration dates; \$138,065,000 may be used to offset future net capital gains through October 31, 2017, \$32,560,000 through October 31, 2018, and \$79,230,000 through October 31, 2019. Capital losses of \$1,034,342,000 realized beginning in fiscal 2012 may be carried forward indefinitely under the Regulated Investment Company Modernization Act of 2010, but must be used before any expiring loss carryforwards. Capital loss carryforwards of \$29,919,000 expired on October 31, 2016; accordingly, such losses have been reclassified from accumulated net realized losses to paid-in capital.

At October 31, 2016, the cost of investment securities for tax purposes was \$24,990,136,000. Net unrealized appreciation of investment securities for tax purposes was \$11,572,000, consisting of unrealized gains of \$3,600,716,000 on securities that had risen in value since their purchase and \$3,589,144,000 in unrealized losses on securities that had fallen in value since their purchase.

F. During the year ended October 31, 2016, the fund purchased \$2,723,278,000 of investment securities and sold \$1,904,958,000 of investment securities, other than temporary cash investments. Purchases and sales include \$230,305,000 and \$772,210,000, respectively, in connection with in-kind purchases and redemptions of the fund's capital shares.

G. Capital share transactions for each class of shares were:

	Year Ended October 31,			
	2016		2015	
	Amount (\$000)	Shares (000)	Amount (\$000)	Shares (000)
Investor Shares				
Issued	150,674	8,858	202,214	10,640
Issued in Lieu of Cash Distributions	14,669	866	14,509	772
Redeemed	(189,942)	(11,169)	(157,311)	(8,322)
Net Increase (Decrease)—Investor Shares	(24,599)	(1,445)	59,412	3,090
ETF Shares				
Issued	1,251,872	27,991	2,660,025	53,578
Issued in Lieu of Cash Distributions	—	—	—	—
Redeemed	(483,379)	(12,300)	(411,140)	(9,000)
Net Increase (Decrease)—ETF Shares	768,493	15,691	2,248,885	44,578
Admiral Shares				
Issued	1,345,709	50,503	1,381,231	47,037
Issued in Lieu of Cash Distributions	79,969	2,993	67,575	2,285
Redeemed	(913,386)	(34,390)	(602,733)	(20,743)
Net Increase (Decrease)—Admiral Shares	512,292	19,106	846,073	28,579
Institutional Shares				
Issued	920,593	10,694	1,019,443	10,800
Issued in Lieu of Cash Distributions	114,255	1,350	118,859	1,266
Redeemed	(1,027,540)	(11,995)	(990,270)	(10,410)
Net Increase (Decrease)—Institutional Shares	7,308	49	148,032	1,656
Institutional Plus Shares				
Issued	586,317	6,493	865,085	8,576
Issued in Lieu of Cash Distributions	64,624	721	64,893	655
Redeemed	(1,034,410)	(11,072)	(218,391)	(2,179)
Net Increase (Decrease)—Institutional Plus Shares	(383,469)	(3,858)	711,587	7,052

H. Management has determined that no material events or transactions occurred subsequent to October 31, 2016, that would require recognition or disclosure in these financial statements.

FTSE All-World ex-US Small-Cap Index Fund

Fund Profile

As of October 31, 2016

Share-Class Characteristics

	Investor Shares	ETF Shares	Institutional Shares
Ticker Symbol	VFSVX	VSS	VFSNX
Expense Ratio ¹	0.31 %	0.17 %	0.15 %

Portfolio Characteristics

	Fund	FTSE Global Small Cap ex US Index
Number of Stocks	3,515	3,337
Median Market Cap	\$1.4B	\$1.4B
Price/Earnings Ratio	22.6x	22.8x
Price/Book Ratio	1.4x	1.4x
Return on Equity	10.5%	10.5%
Earnings Growth Rate	9.8%	9.9%
Dividend Yield	2.4%	2.4%
Turnover Rate	14%	—
Short-Term Reserves	-0.3%	—

Sector Diversification (% of equity exposure)

	Fund	FTSE Global Small Cap ex US Index
Basic Materials	9.8%	9.7%
Consumer Goods	11.4	11.5
Consumer Services	11.8	11.8
Financials	20.7	20.7
Health Care	6.3	6.3
Industrials	23.6	23.6
Oil & Gas	5.2	5.2
Technology	7.4	7.4
Telecommunications	1.1	1.1
Utilities	2.7	2.7

Volatility Measures

	FTSE Global Small Cap ex US Index
R-Squared	0.99
Beta	0.97

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

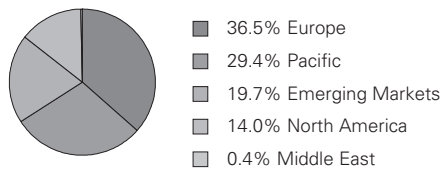
Ten Largest Holdings (% of total net assets)

Teck Resources Ltd.	Nonferrous Metals	0.5%
Dollarama Inc.	Specialty Retailers	0.4
Open Text Corp.	Software	0.4
First Quantum Minerals Ltd.	Nonferrous Metals	0.3
Gildan Activewear Inc.	Clothing & Accessories	0.3
CCL Industries Inc.	Containers & Packaging	0.3
Seven Generations Energy Ltd.	Exploration & Production	0.3
Keyera Corp.	Exploration & Production	0.3
Onex Corp.	Diversified Industrials	0.2
Kinross Gold Corp.	Gold Mining	0.2
Top Ten		3.2%

The holdings listed exclude any temporary cash investments and equity index products.

¹ The expense ratios shown are from the prospectus dated February 26, 2016, and represent estimated costs for the current fiscal year. For the fiscal year ended October 31, 2016, the expense ratios were 0.27% for Investor Shares, 0.13% for ETF Shares, and 0.12% for Institutional Shares.

Allocation by Region (% of equity exposure)



Market Diversification (% of equity exposure)

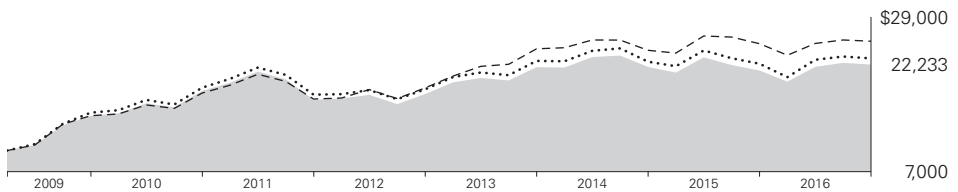
	Fund	FTSE Global Small Cap ex US Index
Europe		
United Kingdom	11.2%	11.3%
Germany	3.8	3.6
Sweden	3.5	3.5
Switzerland	3.1	3.0
Italy	2.6	2.6
France	2.5	2.5
Netherlands	1.7	1.7
Spain	1.7	1.7
Norway	1.4	1.4
Denmark	1.1	1.1
Finland	1.1	1.2
Belgium	1.1	1.1
Other	1.7	1.8
Subtotal	36.5%	36.5%
Pacific		
Japan	16.5%	16.4%
Australia	4.4	4.5
South Korea	4.2	4.2
Hong Kong	2.2	2.1
Singapore	1.4	1.4
Other	0.7	0.7
Subtotal	29.4%	29.3%
Emerging Markets		
Taiwan	6.3%	6.3%
China	3.0	3.0
India	2.8	2.8
Thailand	1.6	1.6
Brazil	1.2	1.2
Other	4.8	4.8
Subtotal	19.7%	19.7%
North America		
Canada	14.0%	14.1%
Middle East		
	0.4%	0.4%

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.

Cumulative Performance: April 2, 2009, Through October 31, 2016

Initial Investment of \$10,000



	Average Annual Total Returns Periods Ended October 31, 2016			Final Value of a \$10,000 Investment
	One Year	Five Years	Since Inception (4/2/2009)	
— FTSE All-World ex-US Small-Cap Index Fund Investor Shares	3.95%	5.25%	11.11%	\$22,233
..... FTSE Global Small Cap ex US Index	3.40	5.18	11.68	23,112
- - - International Small-Cap Funds Average	1.39	8.07	13.17	25,553

International Small-Cap Funds Average: Derived from data provided by Lipper, a Thomson Reuters Company.

"Since Inception" performance is calculated from the Investor Shares' inception date for both the fund and its comparative standards.

	One Year	Five Years	Since Inception (4/2/2009)	Final Value of a \$10,000 Investment
FTSE All-World ex-US Small-Cap Index Fund ETF Shares Net Asset Value	4.11%	5.44%	11.33%	\$22,562
FTSE Global Small Cap ex US Index	3.40	5.18	11.68	23,112

"Since Inception" performance is calculated from the ETF Shares' inception date for both the fund and its comparative standard.

	Average Annual Total Returns Periods Ended October 31, 2016			Final Value of a \$5,000,000 Investment
	One Year	Five Years	Since Inception (4/2/2009)	
FTSE All-World ex-US Small-Cap Index Fund Institutional Shares	4.11%	5.45%	11.35%	\$11,296,350
FTSE Global Small Cap ex US Index	3.40	5.18	11.68	11,555,755

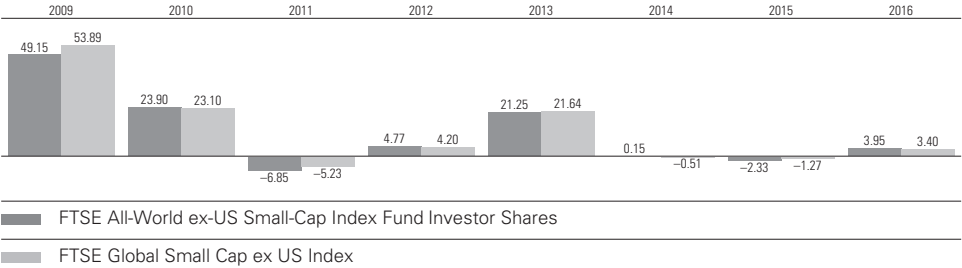
"Since Inception" performance is calculated from the Institutional Shares' inception date for both the fund and its comparative standard.

Cumulative Returns of ETF Shares: April 2, 2009, Through October 31, 2016

	One Year	Five Years	Since Inception (4/2/2009)
FTSE All-World ex-US Small-Cap Index Fund ETF Shares Market Price	4.40%	31.54%	126.08%
FTSE All-World ex-US Small-Cap Index Fund ETF Shares Net Asset Value	4.11	30.34	125.62
FTSE Global Small Cap ex US Index	3.40	28.74	131.12

"Since Inception" performance is calculated from the ETF Shares' inception date for both the fund and its comparative standard.

Fiscal-Year Total Returns (%): April 2, 2009, Through October 31, 2016



Index returns are adjusted for withholding taxes applicable to U.S.-based mutual funds organized as Delaware statutory trusts.

Average Annual Total Returns: Periods Ended September 30, 2016

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	Since Inception
Investor Shares	4/2/2009	12.29%	7.79%	11.69%
ETF Shares	4/2/2009			
Market Price		12.73	8.20	11.94
Net Asset Value		12.47	7.98	11.91
Institutional Shares	4/2/2009	12.47	8.00	11.93

Financial Statements

Statement of Net Assets—Investments Summary

As of October 31, 2016

This Statement summarizes the fund's holdings by asset type. Details are reported for each of the fund's 50 largest individual holdings and for investments that, in total for any issuer, represent more than 1% of the fund's net assets. The total value of smaller holdings is reported as a single amount within each category.

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 complete listing of the fund's holdings is available electronically on vanguard.com and on the Securities and Exchange Commission's website (sec.gov), or you can have it mailed to you without charge by calling 800-662-7447. For the first and third fiscal quarters, the fund files the lists with the SEC on Form N-Q. Shareholders can look up the fund's Forms N-Q on the SEC's website. 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)	Percentage of Net Assets
Common Stocks			
¹ Australia †		147,728	4.4%
Austria †		29,235	0.9%
Belgium †		37,231	1.1%
¹ Brazil †		39,250	1.2%
Canada			
Teck Resources Ltd. Class B	743,955	16,063	0.5%
Dollarama Inc.	161,502	12,068	0.4%
Open Text Corp.	192,041	11,924	0.3%
First Quantum Minerals Ltd.	1,089,547	10,349	0.3%
Gildan Activewear Inc.	369,631	9,494	0.3%
CCL Industries Inc. Class B	51,570	9,171	0.3%
* Seven Generations Energy Ltd. Class A	417,714	8,907	0.3%
Keyera Corp.	288,908	8,672	0.3%
Onex Corp.	128,992	8,344	0.2%
* Kinross Gold Corp.	1,968,013	7,644	0.2%
^ H&R REIT	444,035	7,551	0.2%
^ PrairieSky Royalty Ltd.	324,632	7,060	0.2%
^ Vermilion Energy Inc.	163,646	6,418	0.2%
^ AltaGas Ltd.	256,513	6,347	0.2%
Industrial Alliance Insurance & Financial Services Inc.	162,417	6,289	0.2%
CAE Inc.	426,452	5,990	0.2%
Element Fleet Management Corp.	607,852	5,923	0.2%
^ Tahoe Resources Inc.	481,976	5,778	0.2%
Peyto Exploration & Development Corp.	223,326	5,738	0.2%
Yamana Gold Inc.	1,497,511	5,348	0.2%
Methanex Corp.	145,320	5,282	0.2%

	Shares	Market Value* (\$000)	Percentage of Net Assets
* Detour Gold Corp.	274,307	5,229	0.1%
WSP Global Inc.	159,144	5,155	0.1%
Finning International Inc.	268,161	4,990	0.1%
Ritchie Bros Auctioneers Inc.	141,905	4,907	0.1%
Canada—Other †		276,051	8.2%
		466,692	13.9%
Chile †		9,723	0.3%
¹ China †		98,137	2.9%
Colombia †		2,163	0.1%
Czech Republic †		829	0.0%
¹ Denmark †		37,900	1.1%
Egypt †		4,250	0.1%
Finland			
Amer Sports Oyj	185,785	5,055	0.1%
Finland—Other †		32,766	1.0%
		37,821	1.1%
France			
Rubis SCA	58,904	5,372	0.2%
¹ France—Other †		77,406	2.3%
		82,778	2.5%
Germany			
STADA Arzneimittel AG	98,907	4,960	0.2%
* KUKA AG	43,514	4,938	0.2%
Freenet AG	171,575	4,919	0.1%
¹ Germany—Other †		108,306	3.2%
		123,123	3.7%
Greece †		3,923	0.1%
¹ Hong Kong †		73,319	2.2%
¹ India †		94,143	2.8%
Indonesia †		23,391	0.7%
Ireland			
Kingspan Group plc	278,294	6,815	0.2%
Ireland—Other †		7,868	0.2%
		14,683	0.4%
Israel †		12,299	0.4%
¹ Italy †		84,116	2.5%

	Shares	Market Value* (\$000)	Percentage of Net Assets
Japan			
Mebuki Financial Group Inc.	1,504,100	5,353	0.2%
Japan—Other †		537,441	16.0%
		542,794	16.2%
Malaysia †		31,557	0.9%
¹Mexico †		15,951	0.5%
Netherlands			
Aalberts Industries NV	153,196	4,838	0.1%
¹ Netherlands—Other †		52,222	1.6%
		57,060	1.7%
New Zealand †		23,434	0.7%
Norway			
*^ Subsea 7 SA	438,043	4,904	0.1%
¹ Norway—Other †		42,133	1.3%
		47,037	1.4%
²Other †		392	0.0%
Pakistan †		8,530	0.3%
Philippines †		16,587	0.5%
Poland †		7,746	0.2%
Portugal †		10,663	0.3%
Qatar †		494	0.0%
Russia †		2,448	0.1%
¹Singapore †		46,684	1.4%
South Africa †		22,157	0.7%
South Korea †		139,036	4.2%
Spain			
Merlin Properties Socimi SA	512,346	5,748	0.2%
¹ Spain—Other †		50,383	1.5%
		56,131	1.7%
Sweden			
Castellum AB	416,719	5,647	0.2%
Elektro AB Class B	563,357	4,884	0.1%
¹ Sweden—Other †		105,606	3.2%
		116,137	3.5%

	Shares	Market Value* (\$000)	Percentage of Net Assets	
Switzerland				
Temenos Group AG	92,912	6,000	0.2%	
Georg Fischer AG	6,520	5,781	0.2%	
Logitech International SA	227,854	5,511	0.2%	
¹ Switzerland—Other †		85,126	2.5%	
		102,418	3.1%	
Taiwan				
China Life Insurance Co. Ltd.	5,513,597	5,082	0.1%	
Taiwan—Other †		203,491	6.1%	
		208,573	6.2%	
¹ Thailand †		51,846	1.5%	
Turkey †		9,712	0.3%	
United Arab Emirates †		2,242	0.1%	
United Kingdom				
Spirax-Sarco Engineering plc	115,195	6,211	0.2%	
Melrose Industries plc	2,982,945	6,156	0.2%	
RPC Group plc	523,910	6,076	0.2%	
IG Group Holdings plc	573,775	5,794	0.2%	
Hiscox Ltd.	448,866	5,605	0.2%	
UBM plc	617,892	5,425	0.2%	
BBA Aviation plc	1,650,388	5,219	0.1%	
Shaftesbury plc	441,128	4,949	0.1%	
* BTG plc	607,650	4,890	0.1%	
¹ United Kingdom—Other †		324,008	9.7%	
		374,333	11.2%	
Total Common Stocks (Cost \$3,428,705)		3,316,696	99.1% ³	
Coupon				
Temporary Cash Investments				
Money Market Fund				
^{4,5} Vanguard Market Liquidity Fund	0.718%	2,716,461	271,673	8.1%
⁶ U.S. Government and Agency Obligations †		6,898	0.2%	
Total Temporary Cash Investments (Cost \$278,546)		278,571	8.3% ³	
Total Investments (Cost \$3,707,251)		3,595,267	107.4%	
Other Assets and Liabilities				
Other Assets ⁴		16,015	0.5%	
Liabilities ⁴		(264,613)	(7.9%)	
		(248,598)	(7.4%)	
Net Assets		3,346,669	100.0%	

	Amount (\$000)
Statement of Assets and Liabilities	
Assets	
Investments in Securities, at Value	
Unaffiliated Issuers	3,323,594
Affiliated Vanguard Funds	271,673
Total Investments in Securities	3,595,267
Investment in Vanguard	261
Receivables for Investment Securities Sold	349
Receivables for Accrued Income	7,273
Receivables for Capital Shares Issued	509
Other Assets ⁴	7,623
Total Assets	3,611,282
Liabilities	
Payables for Investment Securities Purchased	830
Collateral for Securities on Loan	261,189
Payables for Capital Shares Redeemed	395
Payables to Vanguard	1,594
Other Liabilities	605
Total Liabilities	264,613
Net Assets	3,346,669

At October 31, 2016, net assets consisted of:

	Amount (\$000)
Paid-in Capital	3,601,325
Undistributed Net Investment Income	16,204
Accumulated Net Realized Losses	(158,507)
Unrealized Appreciation (Depreciation)	
Investment Securities	(111,984)
Futures Contracts	202
Forward Currency Contracts	(256)
Foreign Currencies	(315)
Net Assets	3,346,669

Investor Shares—Net Assets

Applicable to 14,138,956 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	519,531
Net Asset Value Per Share—Investor Shares	\$36.74

ETF Shares—Net Assets

Applicable to 27,529,681 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	2,652,168
Net Asset Value Per Share—ETF Shares	\$96.34

	Amount (\$000)
Institutional Shares—Net Assets	
Applicable to 950,557 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	174,970
Net Asset Value Per Share—Institutional Shares	\$184.07

• See Note A in Notes to Financial Statements.

* Non-income-producing security.

[^] Includes partial security positions on loan to broker-dealers. The total value of securities on loan is \$243,504,000.

[†] Represents the aggregate value, by category, of securities that are not among the 50 largest holdings and, in total for any issuer, represent 1% or less of net assets.

1 Certain of the fund's securities are exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be sold in transactions exempt from registration, normally to qualified institutional buyers. At October 31, 2016, the aggregate value of these securities was \$72,621,000, representing 2.2% of net assets.

2 "Other" represents securities that are not classified by the fund's benchmark index.

3 The fund invests a portion of its cash reserves in equity markets through the use of index futures contracts. After giving effect to futures investments, the fund's effective common stock and temporary cash investment positions represent 100.0% and 7.4%, respectively, of net assets.

4 Includes a portion of \$261,189,000 of collateral received for securities on loan.

5 Affiliated money market fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown is the 7-day yield.

6 Securities with a value of \$2,299,000 have been segregated as initial margin for open futures contracts.

REIT—Real Estate Investment Trust.

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

Statement of Operations

	Year Ended October 31, 2016 (\$000)
Investment Income	
Income	
Dividends ¹	79,077
Interest ²	122
Securities Lending—Net	11,288
Total Income	90,487
Expenses	
The Vanguard Group—Note B	
Investment Advisory Services	442
Management and Administrative—Investor Shares	929
Management and Administrative—ETF Shares	1,674
Management and Administrative—Institutional Shares	106
Marketing and Distribution—Investor Shares	99
Marketing and Distribution—ETF Shares	172
Marketing and Distribution—Institutional Shares	5
Custodian Fees	1,074
Auditing Fees	44
Shareholders' Reports—Investor Shares	7
Shareholders' Reports—ETF Shares	145
Shareholders' Reports—Institutional Shares	—
Trustees' Fees and Expenses	2
Total Expenses	4,699
Net Investment Income	85,788
Realized Net Gain (Loss)	
Investment Securities Sold ²	3,239
Futures Contracts	(2,282)
Foreign Currencies and Forward Currency Contracts	2,853
Realized Net Gain (Loss)	3,810
Change in Unrealized Appreciation (Depreciation)	
Investment Securities	38,147
Futures Contracts	(481)
Foreign Currencies and Forward Currency Contracts	(311)
Change in Unrealized Appreciation (Depreciation)	37,355
Net Increase (Decrease) in Net Assets Resulting from Operations	126,953

¹ Dividends are net of foreign withholding taxes of \$6,335,000.

² Interest income and realized net gain (loss) from an affiliated company of the fund were \$103,000 and \$3,000, respectively.

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

Statement of Changes in Net Assets

	Year Ended October 31,	
	2016	2015
	(\$000)	(\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	85,788	72,412
Realized Net Gain (Loss)	3,810	51,320
Change in Unrealized Appreciation (Depreciation)	37,355	(227,964)
Net Increase (Decrease) in Net Assets Resulting from Operations	126,953	(104,232)
Distributions		
Net Investment Income		
Investor Shares	(12,013)	(10,561)
ETF Shares	(67,444)	(61,064)
Institutional Shares	(4,391)	(2,759)
Realized Capital Gain		
Investor Shares	—	—
ETF Shares	—	—
Institutional Shares	—	—
Total Distributions	(83,848)	(74,384)
Capital Share Transactions		
Investor Shares	66,018	86,821
ETF Shares	211,232	604,382
Institutional Shares	9,188	118,310
Net Increase (Decrease) from Capital Share Transactions	286,438	809,513
Total Increase (Decrease)	329,543	630,897
Net Assets		
Beginning of Period	3,017,126	2,386,229
End of Period ¹	3,346,669	3,017,126

¹ Net Assets—End of Period includes undistributed (overdistributed) net investment income of \$16,204,000 and \$8,731,000.

Financial Highlights

Investor Shares

For a Share Outstanding Throughout Each Period	Year Ended October 31,				
	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$36.27	\$38.10	\$38.99	\$33.21	\$32.89
Investment Operations					
Net Investment Income	.933	.887	.909	.946	.798
Net Realized and Unrealized Gain (Loss) on Investments ¹	.461	(1.769)	(.834)	5.947	.649
Total from Investment Operations	1.394	(.882)	.075	6.893	1.447
Distributions					
Dividends from Net Investment Income	(.924)	(.948)	(.965)	(1.113)	(1.127)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(.924)	(.948)	(.965)	(1.113)	(1.127)
Net Asset Value, End of Period	\$36.74	\$36.27	\$38.10	\$38.99	\$33.21
Total Return²	3.95%	-2.33%	0.15%	21.25%	4.77%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$520	\$446	\$382	\$318	\$232
Ratio of Total Expenses to Average Net Assets	0.27%	0.31%	0.37%	0.40%	0.45%
Ratio of Net Investment Income to Average Net Assets	2.63%	2.41%	2.25%	2.58%	2.54%
Portfolio Turnover Rate ³	14%	9%	13%	19%	18%

1 Includes increases from purchase and redemption fees of \$.00, \$.00, \$.01, \$.01, and \$.03. Effective July 25, 2014, fees were eliminated.

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

3 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Financial Highlights

ETF Shares

For a Share Outstanding Throughout Each Period	Year Ended October 31,				
	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$95.09	\$99.89	\$102.21	\$87.11	\$86.38
Investment Operations					
Net Investment Income	2.574	2.461	2.570	2.664	2.252
Net Realized and Unrealized Gain (Loss) on Investments ¹	1.216	(4.634)	(2.169)	15.595	1.707
Total from Investment Operations	3.790	(2.173)	.401	18.259	3.959
Distributions					
Dividends from Net Investment Income	(2.540)	(2.627)	(2.721)	(3.159)	(3.229)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(2.540)	(2.627)	(2.721)	(3.159)	(3.229)
Net Asset Value, End of Period	\$96.34	\$95.09	\$99.89	\$102.21	\$87.11
Total Return	4.11%	-2.19%	0.34%	21.50%	4.99%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$2,652	\$2,407	\$1,947	\$1,723	\$1,040
Ratio of Total Expenses to Average Net Assets	0.13%	0.17%	0.19%	0.20%	0.25%
Ratio of Net Investment Income to Average Net Assets	2.77%	2.55%	2.43%	2.78%	2.74%
Portfolio Turnover Rate ²	14%	9%	13%	19%	18%

¹ Includes increases from purchase and redemption fees of \$.00, \$.00, \$.04, \$.03, and \$.07. Effective July 25, 2014, fees were eliminated.

² Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Financial Highlights

Institutional Shares

For a Share Outstanding Throughout Each Period	Year Ended October 31,				
	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$181.69	\$190.87	\$195.32	\$166.39	\$165.23
Investment Operations					
Net Investment Income	4.937	4.756	4.933	5.100	4.244
Net Realized and Unrealized Gain (Loss) on Investments ¹	2.326	(8.864)	(4.161)	29.812	3.315
Total from Investment Operations	7.263	(4.108)	.772	34.912	7.559
Distributions					
Dividends from Net Investment Income	(4.883)	(5.072)	(5.222)	(5.982)	(6.399)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(4.883)	(5.072)	(5.222)	(5.982)	(6.399)
Net Asset Value, End of Period	\$184.07	\$181.69	\$190.87	\$195.32	\$166.39
Total Return²	4.11%	-2.17%	0.34%	21.51%	5.00%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$175	\$164	\$57	\$18	\$15
Ratio of Total Expenses to Average Net Assets	0.12%	0.15%	0.18%	0.19%	0.24%
Ratio of Net Investment Income to Average Net Assets	2.78%	2.57%	2.44%	2.79%	2.75%
Portfolio Turnover Rate ³	14%	9%	13%	19%	18%

¹ Includes increases from purchase and redemption fees of \$.00, \$.00, \$.06, \$.07, and \$.20. Effective July 25, 2014, fees were eliminated.

² Total returns do not include transaction fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable transaction fees.

³ Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Notes to Financial Statements

Vanguard FTSE All-World ex-US Small-Cap Index Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund invests in securities of foreign issuers, which may subject it to investment risks not normally associated with investing in securities of U.S. corporations. The fund offers three classes of shares: Investor Shares, ETF Shares, and Institutional Shares. Investor Shares are available to any investor who meets the fund's minimum purchase requirements. ETF Shares are listed for trading on NYSE Arca; they can be purchased and sold through a broker. Institutional Shares are designed for investors who meet certain administrative, service, and account-size criteria.

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

1. Security Valuation: Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Equity securities are valued at the latest quoted sales prices or official closing prices taken from the primary market in which each security trades; such securities not traded on the valuation date are valued at the mean of the latest quoted bid and asked prices. Securities for which market quotations are not readily available, or whose values have been affected by events occurring before the fund's pricing time but after the close of the securities' primary markets, are valued at their fair values calculated according to procedures adopted by the board of trustees. These procedures include obtaining quotations from an independent pricing service, monitoring news to identify significant market- or security-specific events, and evaluating changes in the values of foreign market proxies (for example, ADRs, futures contracts, or exchange-traded funds), between the time the foreign markets close and the fund's pricing time. When fair-value pricing is employed, the prices of securities used by a fund to calculate its net asset value may differ from quoted or published prices for the same securities. Investments in Vanguard Market Liquidity Fund are valued at that fund's net asset value. Temporary cash investments acquired over 60 days to maturity are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services. Other temporary cash investments are valued at amortized cost, which approximates market value.

2. Foreign Currency: Securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars using exchange rates obtained from an independent third party as of the fund's pricing time on the valuation date. Realized gains (losses) and unrealized appreciation (depreciation) on investment securities include the effects of changes in exchange rates since the securities were purchased, combined with the effects of changes in security prices. Fluctuations in the value of other assets and liabilities resulting from changes in exchange rates are recorded as unrealized foreign currency gains (losses) until the assets or liabilities are settled in cash, at which time they are recorded as realized foreign currency gains (losses).

3. Futures and Forward Currency Contracts: The fund uses index futures contracts to a limited extent, with the objectives of maintaining full exposure to the stock market, enhancing returns, maintaining liquidity, and minimizing transaction costs. The fund may purchase futures contracts to immediately invest incoming cash in the market, or sell futures in response to cash outflows, thereby simulating a fully invested position in the underlying index while maintaining a cash balance for liquidity. The fund may seek to enhance returns by using futures contracts instead of the underlying securities when futures are believed to be priced more attractively than the underlying securities. The primary risks

associated with the use of futures contracts are imperfect correlation between changes in market values of stocks held by the fund and the prices of futures contracts, and the possibility of an illiquid market. Counterparty risk involving futures is mitigated because a regulated clearinghouse is the counterparty instead of the clearing broker. To further mitigate counterparty risk, the fund trades futures contracts on an exchange, monitors the financial strength of its clearing brokers and clearinghouse, and has entered into clearing agreements with its clearing brokers. The clearinghouse imposes initial margin requirements to secure the fund's performance and requires daily settlement of variation margin representing changes in the market value of each contract.

The fund also enters into forward currency contracts to provide the appropriate currency exposure related to any open futures contracts. The fund's risks in using these contracts include movement in the values of the foreign currencies relative to the U.S. dollar and the ability of the counterparties to fulfill their obligations under the contracts. The fund mitigates its counterparty risk by entering into forward currency contracts only with a diverse group of prequalified counterparties, monitoring their financial strength, entering into master netting arrangements with its counterparties, and requiring its counterparties to transfer collateral as security for their performance. In the absence of a default, the collateral pledged or received by the fund cannot be repledged, resold or rehypothecated. The master netting arrangements provide that, in the event of a counterparty's default (including bankruptcy), the fund may terminate the forward currency contracts, determine the net amount owed by either party in accordance with its master netting arrangements, and sell or retain any collateral held up to the net amount owed to the fund under the master netting arrangements. The forward currency contracts contain provisions whereby a counterparty may terminate open contracts if the fund's net assets decline below a certain level, triggering a payment by the fund if the fund is in a net liability position at the time of the termination. The payment amount would be reduced by any collateral the fund has pledged. Any assets pledged as collateral for open contracts are noted in the Statement of Net Assets. The value of collateral received or pledged is compared daily to the value of the forward currency contracts exposure with each counterparty, and any difference, if in excess of a specified minimum transfer amount, is adjusted and settled within two business days.

Futures contracts are valued at their quoted daily settlement prices. Forward currency contracts are valued at their quoted daily prices obtained from an independent third party, adjusted for currency risk based on the expiration date of each contract. The aggregate settlement values and notional amounts of the contracts are not recorded in the Statement of Assets and Liabilities. Fluctuations in the value of the contracts are recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized gains (losses) on futures or forward currency contracts.

During the year ended October 31, 2016, the fund's average investments in long and short futures contracts represented less than 1% and 0% of net assets, respectively, based on the average of aggregate settlement values at each quarter-end during the period. The fund's average investment in forward currency contracts represented less than 1% of net assets, based on the average of notional amounts at each quarter-end during the period.

4. 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, 2013–2016), and has concluded that no provision for federal income tax is required in the fund's financial statements.

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

6. **Securities Lending:** To earn additional income, the fund lends its securities to qualified institutional borrowers. Security loans are subject to termination by the fund at any time, and are required to be secured at all times by collateral in an amount at least equal to the market value of securities loaned. Daily market fluctuations could cause the value of loaned securities to be more or less than the value of the collateral received. When this occurs, the collateral is adjusted and settled on the next business day. The fund further mitigates its counterparty risk by entering into securities lending transactions only with a diverse group of prequalified counterparties, monitoring their financial strength, and entering into master securities lending agreements with its counterparties. The master securities lending agreements provide that, in the event of a counterparty's default (including bankruptcy), the fund may terminate any loans with that borrower, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the fund; however, such actions may be subject to legal proceedings. While collateral mitigates counterparty risk, in the absence of a default the fund may experience delays and costs in recovering the securities loaned. The fund invests cash collateral received in Vanguard Market Liquidity Fund, and records a liability in the Statement of Assets and Liabilities for the return of the collateral, during the period the securities are on loan. Securities lending income represents fees charged to borrowers plus income earned on invested cash collateral, less expenses associated with the loan. During the term of the loan, the fund is entitled to all distributions made on or in respect of the loaned securities.

7. **Credit Facility:** The fund and certain other funds managed by The Vanguard Group ("Vanguard") participate in a \$3.1 billion committed credit facility provided by a syndicate of lenders pursuant to a credit agreement that may be renewed annually; each fund is individually liable for its borrowings, if any, under the credit facility. Borrowings may be utilized for temporary and emergency purposes, and are subject to the fund's regulatory and contractual borrowing restrictions. The participating funds are charged administrative fees and an annual commitment fee of 0.10% of the undrawn amount of the facility; these fees are allocated to the funds based on a method approved by the fund's board of trustees and included in Management and Administrative expenses on the fund's Statement of Operations. Any borrowings under this facility bear interest at a rate based upon the higher of the one-month London Interbank Offered Rate, federal funds effective rate, or overnight bank funding rate plus an agreed-upon spread.

The fund had no borrowings outstanding at October 31, 2016, or at any time during the period then ended.

8. **Other:** Dividend income is recorded on the ex-dividend date. Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Premiums and discounts on debt securities purchased are amortized and accreted, respectively, to interest income over the lives of the respective securities. 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.

Withholding taxes on foreign dividends and capital gains have been provided for in accordance with the fund's understanding of the applicable countries' tax rules and rates. The fund has filed tax reclaims for previously withheld taxes on dividends earned in certain European Union countries. These filings are subject to various administrative and judicial proceedings within these countries. Such tax reclaims received during the year, if any, are included in dividend income. No other amounts for additional tax reclaims are reflected in the financial statements due to the uncertainty as to the ultimate resolution of proceedings, the likelihood of receipt of these reclaims, and the potential timing of payment.

Each class of shares has equal rights as to assets and earnings, except that each class separately bears certain class-specific expenses related to maintenance of shareholder accounts (included in Management and Administrative expenses) and shareholder reporting. Marketing and distribution expenses are allocated to each class of shares based on a method approved by the board of trustees. Income, other non-class-specific expenses, and gains and losses on investments are allocated to each class of shares based on its relative net assets.

B. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution services at Vanguard's cost of operations (as defined by the FSA). These costs of operations are allocated to the fund based on methods and guidelines approved by the board of trustees. Vanguard does not require reimbursement in the current period for certain costs of operations (such as deferred compensation/benefits and risk/insurance costs); the fund's liability for these costs of operations is included in Payables to Vanguard on the Statement of Assets and Liabilities.

Upon the request of Vanguard, the fund may invest up to 0.40% of its net assets as capital in Vanguard. At October 31, 2016, the fund had contributed to Vanguard capital in the amount of \$261,000, representing 0.01% of the fund's net assets and 0.10% of Vanguard's capitalization. The fund's trustees and officers are also directors and employees, respectively, of Vanguard.

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).

The following table summarizes the market value of the fund's investments as of October 31, 2016, based on the inputs used to value them:

Investments	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)
Common Stocks—North and South America	524,226	9,723	221
Common Stocks—Other	203	2,776,077	6,246
Temporary Cash Investments	271,673	6,898	—
Futures Contracts—Assets ¹	85	—	—
Futures Contracts—Liabilities ¹	(56)	—	—
Forward Currency Contracts—Assets	—	172	—
Forward Currency Contracts—Liabilities	—	(428)	—
Total	796,131	2,792,442	6,467

¹ Represents variation margin on the last day of the reporting period.

D. At October 31, 2016, the fair values of derivatives were reflected in the Statement of Assets and Liabilities as follows:

Statement of Assets and Liabilities Caption	Equity Contracts (\$000)	Foreign Exchange Contracts (\$000)	Total (\$000)
Other Assets	85	172	257
Other Liabilities	(56)	(428)	(484)

Realized net gain (loss) and the change in unrealized appreciation (depreciation) on derivatives for the year ended October 31, 2016, were:

	Equity Contracts (\$000)	Foreign Exchange Contracts (\$000)	Total (\$000)
Realized Net Gain (Loss) on Derivatives			
Futures Contracts	(2,282)	—	(2,282)
Forward Currency Contracts	—	1,240	1,240
Realized Net Gain (Loss) on Derivatives	(2,282)	1,240	(1,042)

Change in Unrealized Appreciation (Depreciation) on Derivatives

Futures Contracts	(481)	—	(481)
Forward Currency Contracts	—	(120)	(120)
Change in Unrealized Appreciation (Depreciation) on Derivatives	(481)	(120)	(601)

At October 31, 2016, the aggregate settlement value of open futures contracts and the related unrealized appreciation (depreciation) were:

		(\$000)		
Futures Contracts	Expiration	Number of Long (Short) Contracts	Aggregate Settlement Value Long (Short)	Unrealized Appreciation (Depreciation)
MSCI Emerging Markets Index	December 2016	181	8,177	(117)
Dow Jones EURO STOXX 50	December 2016	236	7,898	230
E-mini Russell 2000 Index	December 2016	63	7,493	(138)
Topix Index	December 2016	36	4,779	229
E-mini S&P 500 Index	December 2016	3	318	(2)
				202

Unrealized appreciation (depreciation) on open MSCI Emerging Markets Index, Dow Jones EURO STOXX 50, E-mini Russell 2000 Index, and E-mini S&P 500 Index futures contracts is required to be treated as realized gain (loss) for tax purposes.

At October 31, 2016, the fund had open forward currency contracts to receive and deliver currencies as follows. Unrealized appreciation (depreciation) on open forward currency contracts is treated as realized gain (loss) for tax purposes.

Counterparty	Contract Settlement Date	Contract Amount (000)				Unrealized Appreciation (Depreciation) (\$000)
			Receive		Deliver	
The Toronto-Dominion Bank	12/21/16	EUR	10,072	USD	11,368	(285)
BNP Paribas	12/13/16	JPY	508,156	USD	4,984	(130)
BNP Paribas	12/21/16	EUR	463	USD	523	(13)
Deutsche Bank AG	12/21/16	USD	3,366	EUR	2,987	79
Morgan Stanley Capital Services LLC	12/21/16	USD	2,725	EUR	2,417	66
JPMorgan Chase Bank, N.A.	12/13/16	USD	1,162	JPY	118,890	27
						(256)

EUR—Euro.

JPY—Japanese yen.

USD—U.S. dollar.

E. 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; such differences are primarily attributed to the tax treatment of unrealized appreciation on passive foreign investment companies. 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.

During the year ended October 31, 2016, the fund realized net foreign currency gains of \$1,613,000, which increased distributable net income for tax purposes; accordingly, such gains have been reclassified from accumulated net realized losses to undistributed net investment income. Certain of the fund's investments are in securities considered to be passive foreign investment companies, for which any unrealized appreciation and/or realized gains are required to be included in distributable net income for tax purposes. During the year ended October 31, 2016, the fund realized gains on the sale of passive foreign investment companies of \$4,007,000, which have been included in current and prior periods' taxable income; accordingly, such gains have been reclassified from accumulated net realized losses to undistributed net investment income. Passive foreign investment companies held at October 31, 2016, had unrealized appreciation of \$24,926,000.

During the year ended October 31, 2016, the fund realized \$87,460,000 of net capital gains resulting from in-kind redemptions—in which shareholders exchanged fund shares for securities held by the fund rather than for cash. Because such gains are not taxable to the fund, and are not distributed to shareholders, they have been reclassified from accumulated net realized losses to paid-in capital.

For tax purposes, at October 31, 2016, the fund had \$42,414,000 of ordinary income available for distribution. At October 31, 2016, the fund had available capital losses totaling \$158,672,000 to offset future net capital gains. Of this amount, \$8,716,000 is subject to expiration on October 31, 2019. Capital losses of \$149,956,000 realized beginning in fiscal 2012 may be carried forward indefinitely under the Regulated Investment Company Modernization Act of 2010, but must be used before any expiring loss carryforwards.

At October 31, 2016, the cost of investment securities for tax purposes was \$3,732,177,000. Net unrealized depreciation of investment securities for tax purposes was \$136,910,000, consisting of unrealized gains of \$400,873,000 on securities that had risen in value since their purchase and \$537,783,000 in unrealized losses on securities that had fallen in value since their purchase.

F. During the year ended October 31, 2016, the fund purchased \$992,755,000 of investment securities and sold \$714,166,000 of investment securities, other than temporary cash investments. Purchases and sales include \$221,081,000 and \$266,203,000, respectively, in connection with in-kind purchases and redemptions of the fund's capital shares.

G. Capital share transactions for each class of shares were:

	Year Ended October 31,			
	2016		2015	
	Amount (\$000)	Shares (000)	Amount (\$000)	Shares (000)
Investor Shares				
Issued	147,789	4,161	165,488	4,391
Issued in Lieu of Cash Distributions	10,280	289	9,158	249
Redeemed	(92,051)	(2,604)	(87,825)	(2,368)
Net Increase (Decrease)—Investor Shares	66,018	1,846	86,821	2,272
ETF Shares				
Issued	507,205	5,416	880,544	8,719
Issued in Lieu of Cash Distributions	—	—	—	—
Redeemed	(295,973)	(3,200)	(276,162)	(2,900)
Net Increase (Decrease)—ETF Shares	211,232	2,216	604,382	5,819
Institutional Shares				
Issued	28,799	155	129,128	663
Issued in Lieu of Cash Distributions	3,148	18	2,545	14
Redeemed	(22,759)	(126)	(13,363)	(73)
Net Increase (Decrease)—Institutional Shares	9,188	47	118,310	604

H. Management has determined that no material events or transactions occurred subsequent to October 31, 2016, that would require recognition or disclosure in these financial statements.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard International Equity Index Funds and the Shareholders of Vanguard FTSE All-World ex-US Index Fund and Vanguard FTSE All-World ex-US Small-Cap Index Fund:

In our opinion, the accompanying statements of net assets—investments summary, statement of assets and liabilities and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of Vanguard FTSE All-World ex-US Index Fund and Vanguard FTSE All-World ex-US Small-Cap Index Fund (constituting separate portfolios of Vanguard International Equity Index Funds, hereafter referred to as the “Funds”) at October 31, 2016, the results of each of their operations for the year then ended, the changes in each of their net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as “financial statements”) are the responsibility of the Funds’ management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at October 31, 2016 by correspondence with the custodian and brokers and by agreement to the underlying ownership records of the transfer agent, provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
December 15, 2016

Special 2016 tax information (unaudited) for Vanguard FTSE All-World ex-US Index Fund

This information for the fiscal year ended October 31, 2016, is included pursuant to provisions of the Internal Revenue Code.

The fund distributed \$505,361,000 of qualified dividend income to shareholders during the fiscal year.

The fund designates to shareholders foreign source income of \$653,487,000 and foreign taxes paid of \$48,831,000. Shareholders will receive more detailed information with their Form 1099-DIV in January 2017 to determine the calendar-year amounts to be included on their 2016 tax returns.

Special 2016 tax information (unaudited) for Vanguard FTSE All-World ex-US Small-Cap Index Fund

This information for the fiscal year ended October 31, 2016, is included pursuant to provisions of the Internal Revenue Code.

The fund distributed \$44,871,000 of qualified dividend income to shareholders during the fiscal year.

The fund designates to shareholders foreign source income of \$73,970,000 and foreign taxes paid of \$6,289,000. Shareholders will receive more detailed information with their Form 1099-DIV in January 2017 to determine the calendar-year amounts to be included on their 2016 tax returns.

Your Fund’s After-Tax Returns

This table presents returns for your fund both before and after taxes. The after-tax returns are shown in two ways: (1) assuming that an investor owned the fund during the entire period and paid taxes on the fund’s distributions, and (2) assuming that an investor paid taxes on the fund’s distributions *and* sold all shares at the end of each period.

Calculations are based on the highest individual federal income tax and capital gains tax rates in effect at the times of the distributions and the hypothetical sales. State and local taxes were not considered. After-tax returns reflect any qualified dividend income, using actual prior-year figures and estimates for 2016. (In the example, returns after the sale of fund shares may be higher than those assuming no sale. This occurs when the sale would have produced a capital loss. The calculation assumes that the investor received a tax deduction for the loss.)

The table shows returns for Investor Shares only; returns for other share classes will differ. Please note that your actual after-tax returns will depend on your tax situation and may differ from those shown. Also note that if you own the fund in a tax-deferred account, such as an individual retirement account or a 401(k) plan, this information does not apply to you. Such accounts are not subject to current taxes.

Finally, keep in mind that a fund’s performance—whether before or after taxes—does not guarantee future results.

Average Annual Total Returns: FTSE International Index Funds

Periods Ended October 31, 2016

	One Year	Five Years	Since Inception (3/8/2007)
FTSE All-World ex-US Index Fund Investor Shares			
Returns Before Taxes	0.98%	4.10%	1.11%
Returns After Taxes on Distributions	0.18	3.33	0.61
Returns After Taxes on Distributions and Sale of Fund Shares	0.95	3.17	0.88

	One Year	Five Years	Since Inception (4/2/2009)
FTSE All-World ex-US Small-Cap Index Fund Investor Shares			
Returns Before Taxes	3.95%	5.25%	11.11%
Returns After Taxes on Distributions	3.12	4.48	10.42
Returns After Taxes on Distributions and Sale of Fund Shares	2.54	3.97	8.96

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 fund's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (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 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 October 31, 2016

	Beginning Account Value 4/30/2016	Ending Account Value 10/31/2016	Expenses Paid During Period
Based on Actual Fund Return			
FTSE All-World ex-US Index Fund			
Investor Shares	\$1,000.00	\$1,028.90	\$1.07
ETF Shares	1,000.00	1,029.91	0.56
Admiral Shares	1,000.00	1,029.45	0.56
Institutional Shares	1,000.00	1,029.58	0.56
Institutional Plus Shares	1,000.00	1,029.81	0.36
FTSE All-World ex-US Small-Cap Index Fund			
Investor Shares	\$1,000.00	\$1,014.78	\$1.27
ETF Shares	1,000.00	1,015.72	0.56
Institutional Shares	1,000.00	1,015.55	0.51
Based on Hypothetical 5% Yearly Return			
FTSE All-World ex-US Index Fund			
Investor Shares	\$1,000.00	\$1,024.08	\$1.07
ETF Shares	1,000.00	1,024.58	0.56
Admiral Shares	1,000.00	1,024.58	0.56
Institutional Shares	1,000.00	1,024.58	0.56
Institutional Plus Shares	1,000.00	1,024.78	0.36
FTSE All-World ex-US Small-Cap Index Fund			
Investor Shares	\$1,000.00	\$1,023.88	\$1.27
ETF Shares	1,000.00	1,024.58	0.56
Institutional Shares	1,000.00	1,024.63	0.51

The calculations are based on expenses incurred in the most recent six-month period. The funds' annualized six-month expense ratios for that period are: for the FTSE All-World ex-US Index Fund, 0.21% for Investor Shares, 0.11% for ETF Shares, 0.11% for Admiral Shares, 0.11% for Institutional Shares, and 0.07% for Institutional Plus Shares; and for the FTSE All-World ex-US Small-Cap Index Fund, 0.25% for Investor Shares, 0.11% for ETF Shares, and 0.10% for Institutional Shares. The dollar amounts shown as "Expenses Paid" are equal to the annualized expense ratio 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 (184/366).

Glossary

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.

Dividend Yield. Dividend income earned by stocks, expressed as a percentage of the aggregate market value (or of net asset value, for a fund). The yield is determined by dividing the amount of the annual dividends by the aggregate value (or net asset value) at the end of the period. For a fund, the dividend yield is based solely on stock holdings and does not include any income produced by other investments.

Earnings Growth Rate. The average annual rate of growth in earnings over the past five years for the stocks now in a fund.

Equity Exposure. A measure that reflects a fund's investments in stocks and stock futures. Any holdings in short-term reserves are excluded.

Expense Ratio. A fund's total annual operating expenses expressed as a percentage of the fund's average net assets. The expense ratio includes management and administrative expenses, but does not include the transaction costs of buying and selling portfolio securities.

Fair-Value Pricing. Fair-value adjustments, which are required by the Securities and Exchange Commission, address pricing discrepancies that may arise because of time-zone differences among global stock markets. Foreign stocks may trade on exchanges that close many hours before a fund's closing share price is calculated in the United States, generally at 4 p.m., Eastern time. In the hours between the foreign close and the U.S. close, the value of these foreign securities may change—because of company-specific announcements or market-wide developments, for example. Such price changes are not immediately reflected in international index values. Fair-value pricing takes such changes into account in calculating the fund's daily net asset value, thus ensuring that the NAV doesn't include "stale" prices. The result can be a temporary divergence between the return of the fund and that of its benchmark index—a difference that usually corrects itself when the foreign markets reopen.

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.

Median Market Cap. An indicator of the size of companies in which a fund invests; the midpoint of market capitalization (market price x shares outstanding) of a fund's stocks, weighted by the proportion of the fund's assets invested in each stock. Stocks representing half of the fund's assets have market capitalizations above the median, and the rest are below it.

Price/Book Ratio. The share price of a stock divided by its net worth, or book value, per share. For a fund, the weighted average price/book ratio of the stocks it holds.

Price/Earnings Ratio. The ratio of a stock's current price to its per-share earnings over the past year. For a fund, the weighted average P/E of the stocks it holds. P/E is an indicator of market expectations about corporate prospects; the higher the P/E, the greater the expectations for a company's future growth.

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.

Return on Equity. The annual average rate of return generated by a company during the past five years for each dollar of shareholder's equity (net income divided by shareholder's equity). For a fund, the weighted average return on equity for the companies whose stocks it holds.

Short-Term Reserves. The percentage of a fund invested in highly liquid, short-term securities that can be readily converted to cash.

Turnover Rate. An indication of the fund's trading activity. Funds with high turnover rates incur higher transaction costs and may be more likely to distribute capital gains (which may be taxable to investors). The turnover rate excludes in-kind transactions, which have minimal impact on costs.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

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 198 Vanguard funds.

The following table provides information for each trustee and executive officer of the fund. The mailing address of the trustees and officers is P.O. Box 876, Valley Forge, PA 19482. 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 and Other Experience: 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).

Independent Trustees

Emerson U. Fullwood

Born 1948. Trustee Since January 2008. Principal Occupation(s) During the Past Five Years and Other Experience: 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 2009–2010 Distinguished Minett Professor at the Rochester Institute of Technology; Lead Director of SPX FLOW, Inc. (multi-industry manufacturing); Director of the United Way of Rochester, the University of Rochester Medical Center, Monroe Community College Foundation, North Carolina A&T University, and Roberts Wesleyan College.

Rajiv L. Gupta

Born 1945. Trustee Since December 2001.² Principal Occupation(s) During the Past Five Years and Other Experience: Chairman and Chief Executive Officer (retired 2009) and President (2006–2008) of Rohm and Haas Co. (chemicals); Director of Tyco International plc (diversified manufacturing and services), HP Inc. (printer and personal computer manufacturing), and Delphi Automotive plc (automotive components); Senior Advisor at New Mountain Capital.

Amy Gutmann

Born 1949. Trustee Since June 2006. Principal Occupation(s) During the Past Five Years and Other Experience: President of the University of Pennsylvania; Christopher H. Browne Distinguished Professor of Political Science, School of Arts and Sciences, and Professor of Communication, Annenberg School for Communication, with secondary faculty appointments in the Department of Philosophy, School of Arts and Sciences, and at the Graduate School of Education, University of Pennsylvania; Trustee of the National Constitution Center; Chair of the Presidential Commission for the Study of Bioethical Issues.

JoAnn Heffernan Heisen

Born 1950. Trustee Since July 1998. Principal Occupation(s) During the Past Five Years and Other Experience: Corporate Vice President and Chief Global Diversity Officer (retired 2008) and Member of the Executive Committee (1997–2008) of Johnson & Johnson (pharmaceuticals/medical devices/consumer products); Director of Skytop Lodge Corporation (hotels) and the Robert Wood Johnson Foundation; Member of the Advisory Board of the Institute for Women's Leadership at Rutgers University.

F. Joseph Loughrey

Born 1949. Trustee Since October 2009. Principal Occupation(s) During the Past Five Years and Other Experience: President and Chief Operating Officer (retired 2009) of Cummins Inc. (industrial machinery); Chairman of the Board of Hillenbrand, Inc. (specialized consumer services), and of Oxfam America; Director of SKF AB (industrial machinery), Hyster-Yale Materials Handling, Inc. (forklift trucks), the Lumina Foundation for Education, and the V Foundation for Cancer Research; Member of the Advisory Council for the College of Arts and Letters and of the Advisory Board to the Kellogg Institute for International Studies, both at the University of Notre Dame.

Mark Loughridge

Born 1953. Trustee Since March 2012. Principal Occupation(s) During the Past Five Years and Other Experience: Senior Vice President and Chief Financial Officer (retired 2013) at IBM (information technology services); Fiduciary Member of IBM's Retirement Plan Committee (2004–2013); Director of the Dow Chemical Company; Member of the Council on Chicago Booth.

Scott C. Malpass

Born 1962. Trustee Since March 2012. Principal Occupation(s) During the Past Five Years and Other Experience: Chief Investment Officer and Vice President at the University of Notre Dame; Assistant Professor of Finance at the Mendoza College of Business at Notre Dame; Member of the Notre Dame 403(b) Investment Committee, the Board of Advisors for Spruceview Capital Partners, and the Investment Advisory Committee of Major League Baseball; Board Member of TIFF Advisory Services, Inc., and Catholic Investment Services, Inc. (investment advisors).

André F. Perold

Born 1952. Trustee Since December 2004. Principal Occupation(s) During the Past Five Years and Other Experience: George Gund Professor of Finance and Banking, Emeritus at the Harvard Business School (retired 2011); Chief Investment Officer and Managing Partner of HighVista Strategies LLC (private investment firm); Director of Rand Merchant Bank; Overseer of the Museum of Fine Arts Boston.

Peter F. Volanakis

Born 1955. Trustee Since July 2009. Principal Occupation(s) During the Past Five Years and Other Experience: President and Chief Operating Officer (retired 2010) of Corning Incorporated (communications equipment); Chairman of the Board of Trustees of Colby-Sawyer College; Member of the Advisory Board of the Norris Cotton Cancer Center.

Executive Officers

Glenn Booraem

Born 1967. Treasurer Since May 2015. Principal Occupation(s) During the Past Five Years and Other Experience: Principal of The Vanguard Group, Inc.; Treasurer of each of the investment companies served by The Vanguard Group; Controller of each of the investment companies served by The Vanguard Group (2010–2015); 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 and Other Experience: Principal of The Vanguard Group, Inc.; Chief Financial Officer of each of the investment companies served by The Vanguard Group; Treasurer of each of the investment companies served by The Vanguard Group (1998–2008).

Peter Mahoney

Born 1974. Controller Since May 2015. Principal Occupation(s) During the Past Five Years and Other Experience: Head of Global Fund Accounting at The Vanguard Group, Inc.; Controller of each of the investment companies served by The Vanguard Group; Head of International Fund Services at The Vanguard Group (2008–2014).

Anne E. Robinson

Born 1970. Secretary Since September 2016. Principal Occupation(s) During the Past Five Years and Other Experience: Managing Director of The Vanguard Group, Inc.; General Counsel of The Vanguard Group; Secretary of The Vanguard Group and of each of the investment companies served by The Vanguard Group; Director and Senior Vice President of Vanguard Marketing Corporation; Managing Director and General Counsel of Global Cards and Consumer Services at Citigroup (2014–2016); Counsel at American Express (2003–2014).

Vanguard Senior Management Team

Mortimer J. Buckley	James M. Norris
Kathleen C. Gubanich	Thomas M. Rampulla
Martha G. King	Glenn W. Reed
John T. Marcante	Karin A. Risi
Chris D. McIsaac	Michael Rollings

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, the Vanguard Municipal Bond Funds, and the Vanguard State Tax-Exempt Funds.



Vanguard®

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

Who Are Deaf or Hard of Hearing > 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, a Thomson Reuters Company, 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 email addressed to publicinfo@sec.gov or via regular mail addressed to the Public Reference Section, Securities and Exchange Commission, Washington, DC 20549-1520.

London Stock Exchange Group companies include FTSE International Limited ("FTSE"), Frank Russell Company ("Russell"), MTS Next Limited ("MTS"), and FTSE TMX Global Debt Capital Markets Inc. ("FTSE TMX"). All rights reserved. "FTSE®", "Russell®", "MTS®", "FTSE TMX®" and "FTSE Russell" and other service marks and trademarks related to the FTSE or Russell indexes are trademarks of the London Stock Exchange Group companies and are used by FTSE, MTS, FTSE TMX and Russell under licence. All information is provided for information purposes only. No responsibility or liability can be accepted by the London Stock Exchange Group companies nor its licensors for any errors or for any loss from use of this publication. Neither the London Stock Exchange Group companies nor any of its licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE Indexes or the fitness or suitability of the Indexes for any particular purpose to which they might be put.

The Industry Classification Benchmark ("ICB") is owned by FTSE. FTSE does not accept any liability to any person for any loss or damage arising out of any error or omission in the ICB.

© 2016 The Vanguard Group, Inc.
All rights reserved.
Vanguard Marketing Corporation, Distributor.

Q7700 122016



Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard International Equity Index Funds and the Shareholders of Vanguard European Stock Index Fund and Vanguard Pacific Stock Index Fund:

In our opinion, the accompanying statements of net assets—investments summary and the related statements of operations and of changes in net assets and the financial highlights (included in Item 1 of this Form N-CSR) and the schedules of investments (included in Item 6 of this Form N-CSR) present fairly, in all material respects, the financial position of Vanguard European Stock Index Fund and Vanguard Pacific Stock Index Fund (constituting separate portfolios of Vanguard International Equity Index Funds, hereafter referred to as the "Funds") at October 31, 2016, the results of each of their operations for the year then ended, the changes in each of their net assets for each of the two years in the period then ended, and the financial highlights for each of the periods indicated, in conformity with accounting principles generally accepted in the United States of America. These financial statements, financial highlights, and schedules of investments (hereafter referred to as "financial statements") are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at October 31, 2016 by correspondence with the custodian and brokers and by agreement to the underlying ownership records of the transfer agent, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

December 15, 2016



Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard International Equity Index Funds and the Shareholders of Vanguard Total World Stock Index Fund:

In our opinion, the accompanying statement of net assets—investments summary and the related statements of operations and of changes in net assets and the financial highlights (included in Item 1 of this Form N-CSR) and the schedule of investments (included in Item 6 of this Form N-CSR) present fairly, in all material respects, the financial position of Vanguard Total World Stock Index Fund (constituting a separate portfolio of Vanguard International Equity Index Funds, hereafter referred to as the "Fund") at October 31, 2016, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements, financial highlights, and schedule of investments (hereafter referred to as "financial statements") are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at October 31, 2016 by correspondence with the custodian and brokers and by agreement to the underlying ownership records of the transfer agent, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

December 15, 2016



Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard International Equity Index Funds and the Shareholders of Vanguard FTSE All-World ex-US Index Fund and Vanguard FTSE All-World ex-US Small-Cap Index Fund:

In our opinion, the accompanying statements of net assets—investments summary, statement of assets and liabilities and the related statements of operations and of changes in net assets and the financial highlights (included in Item 1 of this Form N-CSR) and the schedules of investments (included in Item 6 of this Form N-CSR) present fairly, in all material respects, the financial position of Vanguard FTSE All-World ex-US Index Fund and Vanguard FTSE All-World ex-US Small-Cap Index Fund (constituting separate portfolios of Vanguard International Equity Index Funds, hereafter referred to as the "Funds") at October 31, 2016, the results of each of their operations for the year then ended, the changes in each of their net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements, financial highlights, and schedules of investments (hereafter referred to as "financial statements") are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at October 31, 2016 by correspondence with the custodian and brokers and by agreement to the underlying ownership records of the transfer agent, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

December 15, 2016



Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard International Equity Index Funds and the Shareholders of Vanguard Emerging Markets Stock Index Fund:

In our opinion, the accompanying statement of net assets—investments summary and the related statements of operations and of changes in net assets and the financial highlights (included in Item 1 of this Form N-CSR) and the schedule of investments (included in Item 6 of this Form N-CSR) present fairly, in all material respects, the financial position of Vanguard Emerging Markets Stock Index Fund (constituting a separate portfolio of Vanguard International Equity Index Funds, hereafter referred to as the "Fund") at October 31, 2016, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements, financial highlights, and schedule of investments (hereafter referred to as "financial statements") are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at October 31, 2016 by correspondence with the custodian and brokers and by agreement to the underlying ownership records of the transfer agent, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

December 15, 2016

Item 7: Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.

Not Applicable.

Item 8: Portfolio Managers of Closed-End Management Investment Companies.

Not Applicable.

Item 9: Purchase of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.

Not Applicable.

Item 10: Submission of Matters to a Vote of Security Holders.

Not Applicable.

Item 11: Controls and Procedures.

(a) Disclosure Controls and Procedures. The Principal Executive and Financial Officers concluded that the Registrant's Disclosure Controls and Procedures are effective based on their evaluation of the Disclosure Controls and Procedures as of a date within 90 days of the filing date of this report.

(b) Internal Control Over Financial Reporting. There were no significant changes in Registrant's Internal Control Over Financial Reporting or in other factors that could significantly affect this control subsequent to the date of the evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Item 12: Exhibits.

(a) Code of Ethics.

(b) Certifications.

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

VANGUARD INTERNATIONAL EQUITY INDEX FUNDS

BY: /s/ F. WILLIAM MCNABB III*

F. WILLIAM MCNABB III
CHIEF EXECUTIVE OFFICER

Date: December 19, 2016

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

VANGUARD INTERNATIONAL EQUITY INDEX FUNDS

BY: /s/ F. WILLIAM MCNABB III*

F. WILLIAM MCNABB III
CHIEF EXECUTIVE OFFICER

Date: December 19, 2016

VANGUARD INTERNATIONAL EQUITY INDEX FUNDS

BY: /s/ THOMAS J. HIGGINS*

THOMAS J. HIGGINS
CHIEF FINANCIAL OFFICER

Date: December 19, 2016

* By: /s/ Anne E. Robinson

Anne E. Robinson, pursuant to a Power of Attorney filed on October 4, 2016 see file Number 33-32548, Incorporated by Reference.

CERTIFICATIONS

I, F. William McNabb III, certify that:

1. I have reviewed this report on Form N-CSR of Vanguard International Equity Index Funds;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, changes in net assets, and cash flows (if the financial statements are required to include a statement of cash flows) of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) and internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 19, 2016

/s/ F. William McNabb III
F. William McNabb III
Chief Executive Officer

CERTIFICATIONS

I, Thomas J. Higgins, certify that:

1. I have reviewed this report on Form N-CSR of Vanguard International Equity Index Funds;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, changes in net assets, and cash flows (if the financial statements are required to include a statement of cash flows) of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) and internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 19, 2016

/s/ Thomas J Higgins

Thomas J. Higgins
Chief Financial Officer

**Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

Name of Issuer: **Vanguard International Equity Index Funds**

In connection with the Report on Form N-CSR of the above-named issuer that is accompanied by this certification, the undersigned hereby certifies, to his knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the issuer.

Date: December 19, 2016

/s/ F. William McNabb III

F. William McNabb III
Chief Executive Officer

**Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

Name of Issuer: **Vanguard International Equity Index Funds**

In connection with the Report on Form N-CSR of the above-named issuer that is accompanied by this certification, the undersigned hereby certifies, to his knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the issuer.

Date: December 19, 2016

/s/ Thomas J Higgins

Thomas J. Higgins
Chief Financial Officer

**THE VANGUARD FUNDS’
CODE OF ETHICS
FOR
SENIOR EXECUTIVE AND FINANCIAL OFFICERS**

I. Introduction

The Board of Trustees of each registered investment company that is managed, sponsored, and distributed by The Vanguard Group, Inc. (“VGI”) (each a “Vanguard Fund” and collectively the “Vanguard Funds”) has adopted this code of ethics (the “Code”) as required by Section 406 of the Sarbanes-Oxley Act. The Code applies to the individuals in positions listed on Exhibit A (the “Covered Officers”). All Covered Officers, along with employees of The Vanguard Group, Inc., are subject to separate and distinct obligations from this Code under a Code of Ethics adopted pursuant to Rule 17j-1 under the Investment Company Act of 1940 (“17j-1 Code of Ethics”), policies to prevent the misuse of non-public information, and other internal compliance guidelines and policies that may be in effect from time to time.

This Code is designed to promote:

- Honest and ethical conduct, including the ethical handling of conflicts of interest;
- Full, fair, accurate, timely, and understandable disclosure in reports and documents that a Vanguard Fund files with, or submits to, the U.S. Securities and Exchange Commission (“SEC”), and in other public communications made by the Vanguard Funds or VGI;
- Compliance with applicable laws, governmental rules, and regulations;
- Prompt internal reporting to those identified in the Code of violations of the Code; and
- Accountability for adherence to the Code.

II. Actual or Apparent Conflicts of Interest

A. Covered Officers should conduct all activities in accordance with the following principles:

1. Clients’ interests come first. In the course of fulfilling their duties and responsibilities to Vanguard clients, Covered Officers must at all times place the interests of Vanguard clients first. In particular, Covered Officers must avoid serving their own personal interests ahead of the interests of Vanguard clients.
2. Conflicts of interest must be avoided. Covered Officers must avoid any situation involving an actual or potential conflict of interest or possible impropriety with respect to their duties and responsibilities to Vanguard clients. Covered Officers must disclose any situation that may present the potential for a conflict of interest to Vanguard’s Compliance Department, consistent with the 17j-1 Code of Ethics.

III.14b.1

3. Compromising situations must be avoided. Covered Officers must not take advantage of their position of trust and responsibility. Covered Officers must avoid any situation that might compromise or call into question their exercise of full independent judgment in the best interests of Vanguard clients.

All activities of Covered Officers should be guided by and adhere to these fiduciary standards regardless of whether the activity is specifically described in this Code.

B. Restricted Activities

1. Prohibition on secondary employment. Covered Officers are prohibited from accepting or serving in any form of secondary employment. Secondary employment that does not create a potential conflict of interest may be approved by the General Counsel of VGI.
2. Prohibition on service as director or public official. Unless approved by the General Counsel of VGI, Covered Officers are prohibited from serving on the board of directors of any publicly traded company or in an official capacity for any federal, state, or local government (or governmental agency or instrumentality).
3. Prohibition on misuse of Vanguard time or property. Covered Officers are prohibited from making use of time, equipment, services, personnel or property of any Vanguard entity for any purposes other than the performance of their duties and responsibilities in connection with the Vanguard Funds or other Vanguard-related entities.

III. Disclosure and Compliance

- A. Each Covered Officer should be familiar with the disclosure requirements generally applicable to the Vanguard Funds.
- B. Each Covered Officer should not knowingly misrepresent, or cause others to misrepresent, facts about the Vanguard Funds to others, including to the Vanguard Funds' directors and auditors, or to government regulators and self-regulatory organizations.
- C. Each Covered Officer should, to the extent appropriate within the Covered Officer's area of responsibility, consult with other officers and employees of VGI and advisers to a Vanguard Fund with the goal of promoting full, fair, accurate, timely and understandable disclosure in the reports and documents the fund files with, or submits to, the SEC and in other public communications made by a Vanguard Fund.
- D. It is the responsibility of each Covered Officer to promote compliance with the standards and restrictions imposed by applicable laws, rules, regulations, and the 17j-1 Code of Ethics.

IV. Reporting and Accountability

A. Each Covered Officer must:

1. Upon adoption or amendment of the Code (or thereafter as applicable, upon becoming a Covered Officer), affirm in writing that he or she has received, read, and understands the Code;
2. Affirm at least annually in writing that he or she has complied with the requirements of the Code;
3. Not retaliate against any other Covered Officer or any employee of VGI for reports of potential violations of the Code that are made in good faith; and
4. Notify the General Counsel of VGI promptly if the Covered Officer knows of any violations of this Code.

B. The Vanguard Funds will use the following procedures in investigating and enforcing this Code:

1. The General Counsel of VGI is responsible for applying this Code to specific situations and has the authority to interpret this Code in any particular situation. The General Counsel will report on an as-needed basis to the Board of Trustees regarding activities subject to the Code.
2. The General Counsel will take all appropriate action to investigate any potential violations of the Code that are reported to him or her.
3. If, after investigation, the General Counsel believes that no material violation of the Code has occurred, the General Counsel is not required to take any further action.
4. Any matter that the General Counsel believes is a material violation of the Code will be reported to the Chief Compliance Officer and the Board of Trustees of the Vanguard Funds.
5. If the Board of Trustees of the Vanguard Funds concurs that a material violation of the Code has occurred, the Board will consider appropriate action. Appropriate action may include reassignment, suspension, or dismissal of the applicable Covered Officer(s), or any other sanctions the Board deems appropriate. Appropriate action may also include review of, and appropriate modifications to, applicable policies and procedures.
6. Any changes to or waiver of this Code will, to the extent required, be disclosed as provided by SEC rules.

Other Policies and Procedures

This Code shall be the sole code of conduct adopted by the Vanguard Funds for purposes of Section 406 of the Sarbanes-Oxley Act and the rules and forms applicable to registered investment companies thereunder. Insofar as other policies or procedures of the Vanguard Funds, VGI, or other service providers govern or purport to govern the behavior or activities of the Covered Officers, they are superseded by this Code to the extent that they overlap or conflict with the provisions of this Code.

VGI's and the Vanguard Funds' 17j-1 Code of Ethics, policies to prevent the misuse of non-public information, and other internal compliance guidelines and policies that may be in effect from time to time are separate requirements applying to the Covered Officers and others, and are not part of this Code.

VI. Amendments

This Code may not be materially amended except by the approval of a majority vote of the independent trustees of the Vanguard Funds' Board of Trustees. Non-material, technical, and administrative revisions of the Code do not have to be approved by the Board of Trustees. Amendments must be in writing and communicated promptly to the Covered Officers, who shall affirm receipt of the amended Code in accordance with Section IV. A. 1.

VII. Confidentiality

All reports and records prepared or maintained pursuant to this Code shall be considered confidential and shall be maintained and protected accordingly. Except as otherwise required by law or this Code, such matters shall not be disclosed to anyone other than the Vanguard Funds' Board of Trustees, VGI's General Counsel and the Chief Compliance Officer of VGI and the Vanguard Funds.

Last Reviewed: July 21, 2016

**EXHIBIT A
TO THE VANGUARD FUNDS’
CODE OF ETHICS
FOR
SENIOR EXECUTIVE AND FINANCIAL OFFICERS**

Covered Officers:

Chairman, President and Chief Executive Officer of The Vanguard Group, Inc. and the Vanguard Funds

Managing Director of Strategy of The Vanguard Group, Inc.

Managing Director of Finance and Chief Financial Officer of The Vanguard Group, Inc.

Controller of The Vanguard Group, Inc.

Director of Domestic Finance of The Vanguard Group, Inc.

Director of International Finance of The Vanguard Group, Inc.

Assistant Controller(s) of The Vanguard Group, Inc.

Director of Enterprise Financial Planning & Analysis of The Vanguard Group, Inc.

Chief Audit Executive and Head of Internal Audit, The Vanguard Group, Inc.

Chief Financial Officer of the Vanguard Funds

Treasurer of the Vanguard Funds

Controller of the Vanguard Funds

Assistant Treasurer(s) of the Vanguard Funds