

Vanguard[®]

Annual Report | 31 December 2018

Vanguard Common Contractual Fund

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Chairman's Letter



Dear Unitholder,

Over the years, I've found that prudent investors exhibit a common trait: discipline. No matter how the markets move or what new investing fad hits the headlines, those who stay focused on their goals and tune out the noise are set up for long-term success.

The prime gateway to investing is saving, and you don't usually become a saver without a healthy dose of discipline. Savers make the decision to sock away part of their income, which means spending less and delaying gratification, no matter how difficult that may be.

Of course, disciplined investing extends beyond diligent saving. The financial markets, in the short term especially, are unpredictable; I have yet to meet the investor who can time them perfectly. It takes discipline to resist the urge to go all-in when markets are frothy or to retreat when things look bleak.

Staying put with your investments is one strategy for handling volatility. Another, rebalancing, requires even more discipline because it means steering your money away from strong performers and toward poorer performers.

Patience – a form of discipline – is also the friend of long-term investors. Higher returns are the potential reward for weathering the market's turbulence and uncertainty.

It's important to be prepared for that turbulence, whenever it appears. Don't panic. Be careful not to chase returns or look for answers outside the asset classes you trust. And you may want to consider rebalancing periodically, even when there's turmoil.

Whether you're a master of self-control, get a boost from technology or work with a professional advisor, know that discipline is necessary to get the most out of your investment portfolio. And know that Vanguard is with you for the entire ride.

Thank you for your continued loyalty.

Sincerely,

A handwritten signature in black ink, which appears to read "Mortimer J. Buckley". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

Mortimer J. Buckley
Chairman and Chief Executive Officer
The Vanguard Group, Inc.
23 April 2019

Market Perspective

Global stock markets fell after a strong start in 2018, and volatility rose substantially at the end of the year. Despite a solid macroeconomic backdrop through much of the year, bond markets also experienced bouts of volatility, as bond investors shared some of the same concerns that affected equity investors.

The spike in volatility resulted primarily from concerns over slowing global growth, rising US interest rates and heightened geopolitical uncertainty. These factors led to sharp declines across major equity markets for the 12-month period.

Stocks finished with negative returns

After ending the first half of the year in positive territory, global stocks fell back during the last six months and ended in negative territory, returning -8.71% for the year. (Unless otherwise noted, the returns cited in this letter are in US dollars; stock returns are based on MSCI indices, and bond results are based on Bloomberg Barclays indices.)

US stocks performed best on a relative basis, with the Standard & Poor's 500 Index returning slightly better than -5% for the year. Technology stocks were hurt by concerns about slowing sales and high valuations. Manufacturers lost ground in part because of continued trade tensions between the United States and China. And stocks in the energy sector retreated amid declining oil prices.

Stocks outside the United States were also in negative territory. Stocks in the developed nations of the Pacific fell about -12%, and their counterparts in Europe fell nearly -15%. European stocks lagged because of concerns about Italy's debt and Europe's economic dependence on emerging markets, which returned about -14% and were hurt throughout much of the year by a rising dollar and trade protectionism.

Bonds also struggled

Global bonds finished the year with a return of -1.20%. The Bloomberg Barclays U.S. Aggregate Bond Index returned 0.01%. Bonds with shorter durations tended to perform the best. Mortgage-backed securities outperformed both US Treasuries and corporate bonds for the year.

US Treasury yields generally fell over the final quarter but finished the year higher. The yield of the 2-year Treasury note climbed 61 basis points to close the year at 2.49%. The yield of the 10-year Treasury increased 27 basis points to 2.68%.

The 12-month rise in yields was encouraged by the US Federal Reserve. In December, the Fed lifted its target for short-term interest rates for the fourth time in 2018, to a range of 2.25%-2.5%. The central bank maintained that US growth fundamentals and labor market conditions remained solid despite the recent market volatility and lowered its guidance for rate hikes in 2019.

Bonds outside the United States, as measured by the Bloomberg Barclays Global Aggregate Index ex USD, returned -2.15% for the period. In general, higher-quality bonds with longer maturities tended to perform the best. The European Central Bank held rates constant while ending its quantitative easing in December.

Tracking Error

In tracking the performance of an index, the Sub-Fund attempts to replicate the index by investing all, or substantially all, of its assets in the securities that make up the index, holding each in approximately the same proportion as its weighting in the index. Tracking error measures the volatility of the return difference between the Sub-Fund and the index. It is calculated as the standard deviation of active returns gross of fees for the trailing 36-month period (or since a fund's inception if it does not have 36 months of performance history). Realised (ex-post) tracking error may vary from the anticipated tracking error, depending on a range of circumstances. Examples may include transaction costs, securities lending income or withholding tax differences. The anticipated tracking error and ex-post tracking error are not expected to vary significantly under normal circumstances.

Sub-Fund	For the Year Ended 31 December 2018		Explanation for Divergence
	Anticipated Tracking Error	Ex-Post Tracking Error	
Vanguard U.S. Equity Index Common Contractual Fund	0.023%	0.023%	After considering attributable performance components which are not under the manager's control (i.e. pricing differences, taxes, fees and market volatility), the Sub-Fund is tracking the benchmark within acceptable tolerance levels.

Vanguard U.S. Equity Index Common Contractual Fund

Fund Profile (unaudited)

As at 31 December 2018

The Fund Profile does not form part of the financial statements.

The Profile provides a snapshot of the fund's characteristics, compared where appropriate with its unmanaged target index. Key terms are defined in the Glossary.

Investment Objective

The fund seeks to track the performance of the S&P 500 Index, a widely recognised benchmark of US stock market performance that is dominated by the stocks of large US companies.

Portfolio Characteristics

	Fund	S&P 500 Index
Number of Stocks	507	505
Median Market Cap		
US Dollars	\$99.1B	\$99.1B
British Pounds	£77.8B	£77.8B
Price/Earnings Ratio	16.4x	16.4x
Price/Book Ratio	2.8x	2.8x
Yield	2.1%	2.1%
Return on Equity	16.3%	16.3%
Earnings Growth Rate	8.0%	8.0%
Non-US Holdings	0.0%	—
Turnover Rate ¹	-6%	—
Ongoing Charges Figure	0.20%	—

Volatility Measures

	Fund	S&P 500 Index
R-Squared	1.00	1.00
Beta	1.00	1.00

Sector Diversification (% of portfolio)

	Fund	S&P 500 Index
Communication Services	10.2%	10.1%
Consumer Discretionary	10.0	9.9
Consumer Staples	7.4	7.4
Energy	5.3	5.3
Financials	13.3	13.3
Health Care	15.4	15.6
Industrials	9.2	9.2
Information Technology	20.2	20.1
Materials	2.7	2.7
Real Estate	3.0	3.0
Utilities	3.3	3.4

Ten Largest Holdings² (% of total net assets)

Microsoft Corp.	Systems Software	3.7%
Apple Inc.	Technology Hardware, Storage & Peripherals	3.3
Alphabet Inc.	Internet Software & Services	3.0
Amazon.com Inc.	Internet & Direct Marketing Retail	2.9
Berkshire Hathaway Inc.	Multi-Sector Holdings	1.9
Johnson & Johnson	Pharmaceuticals	1.6
JPMorgan Chase & Co.	Diversified Banks	1.5
Facebook Inc.	Internet Software & Services	1.5
Exxon Mobil Corp.	Integrated Oil & Gas	1.4
Pfizer Inc.	Pharmaceuticals	1.2
Top Ten		22.0%

Investment Focus

Style		Value	Blend	Growth
Market Cap	Large			
	Medium			
	Small			

¹ A negative portfolio turnover indicates that the total value of subscriptions and redemptions exceeded the value of security transactions.

² The holdings listed exclude any temporary cash investments and financial derivative instruments.

Performance Summary (unaudited)

The Performance Summary does not form part of the financial statements.

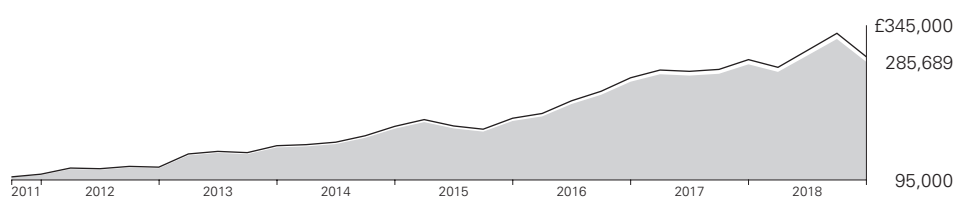
All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. (For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's units, when sold, could be worth more or less than their original cost.

U.S. Equity Index Common Contractual Fund Benchmark: S&P 500 Index

GBP-Denominated

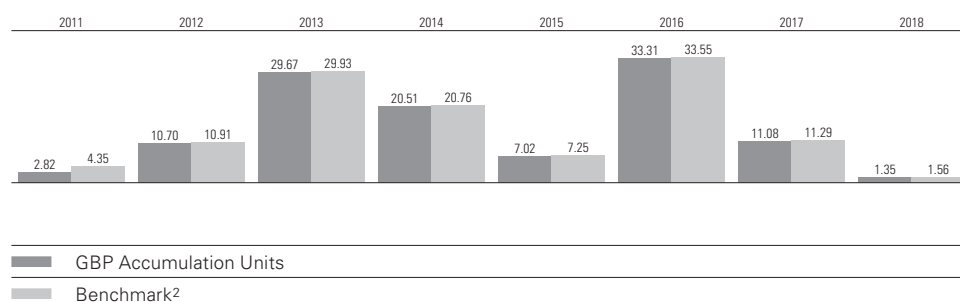
Cumulative Performance: 19 December 2011–31 December 2018

Initial Investment of £100,000



	Average Annual Total Returns Periods Ended 31 December 2018			Final Value of a £100,000 Investment
	One Year	Five Years	Since Inception ¹	
GBP Accumulation Units	1.35%	14.12%	16.10%	£285,689
Benchmark ²	1.56	14.35	16.57	293,956
Tracking Difference (in percentage points)*	-0.21			

Total Investment Returns (%): 19 December 2011–31 December 2018



* The tracking difference between the fund return and the index return over a stated period of time can be attributed to a number of factors, including, without limitation, small differences in weightings, trading activity, transaction costs, and differences in the valuation and withholding tax treatment between the fund and the index.

¹ 19 December 2011.

² Index returns are adjusted for the 30% withholding tax on dividends paid by US securities.

Financial Statements

Statement of Investments

31 December 2018

	Number of Shares	Fair Value US Dollars (\$)	% of Total Net Equity		Number of Shares	Fair Value US Dollars (\$)	% of Total Net Equity
Communication Services 10.04% (2017: 2.05%)				Ultra Salon Cosmetics & Fragrance			
Alphabet Inc. Class C	31,117	32,702,722	1.52%	Inc.	5,694	1,368,553	0.06%
Facebook Inc.	242,976	32,655,974	1.51%	Expedia Inc.	11,965	1,367,958	0.06%
Alphabet Inc. Class A	30,236	31,984,548	1.47%	Darden Restaurants Inc.	12,577	1,239,715	0.06%
Verizon Communications Inc.	417,898	23,214,234	1.08%	Best Buy Co. Inc.	23,638	1,222,557	0.06%
AT&T Inc.	736,061	20,977,739	0.97%	MGM Resorts International	50,690	1,209,970	0.06%
Walt Disney Co.	150,558	16,410,822	0.76%	DR Horton Inc.	34,560	1,200,614	0.06%
Comcast Corp.	459,163	15,744,699	0.73%	Advance Auto Parts Inc.	7,378	1,151,558	0.05%
Netflix Inc.	44,104	11,467,040	0.53%	CarMax Inc.	17,662	1,109,703	0.05%
Twenty-First Century Fox Inc. Class A	106,931	5,147,658	0.24%	Lennar Corp. Class A	27,998	1,108,161	0.05%
Charter Communications Inc.	17,827	5,111,536	0.24%	Kohl's Corp.	16,669	1,087,986	0.05%
Activision Blizzard Inc.	77,171	3,630,124	0.17%	Chipotle Mexican Grill Inc.	2,467	1,049,437	0.05%
Electronic Arts Inc.	30,555	2,444,400	0.11%	Tractor Supply Co.	12,372	1,034,052	0.05%
Twenty-First Century Fox Inc. Class B	49,229	2,356,100	0.11%	Tapestry Inc.	29,344	993,588	0.05%
Twitter Inc.	73,144	2,091,918	0.10%	Wynn Resorts Ltd.	9,886	968,729	0.04%
Omnicom Group Inc.	22,619	1,642,139	0.08%	Hasbro Inc.	11,796	958,897	0.04%
CBS Corp.	34,070	1,490,563	0.07%	Norwegian Cruise Line Holdings Ltd.	22,212	936,902	0.04%
CenturyLink Inc.	96,166	1,474,225	0.07%	Macy's Inc.	31,100	934,244	0.04%
Take-Two Interactive Software Inc.	11,492	1,207,350	0.06%	Tiffany & Co.	10,948	871,570	0.04%
Viacom Inc.	35,678	926,558	0.04%	Newell Brands Inc.	43,506	807,906	0.04%
Discovery Communications Inc. Class C	36,625	847,869	0.04%	LKQ Corp.	32,218	777,098	0.04%
Interpublic Group of Cos. Inc.	38,852	798,797	0.04%	Garmin Ltd.	12,214	769,971	0.04%
DISH Network Corp.	23,111	585,864	0.03%	Mohawk Industries Inc.	6,368	751,870	0.03%
TripAdvisor Inc.	10,389	560,071	0.03%	BorgWarner Inc.	21,150	731,367	0.03%
News Corp. Class A	43,636	493,087	0.02%	PVH Corp.	7,662	709,118	0.03%
Discovery Communications Inc. Class A	15,760	392,739	0.02%	Whirlpool Corp.	6,465	697,897	0.03%
News Corp.	7,939	91,219	0.00%	PulteGroup Inc.	26,056	681,104	0.03%
		216,449,995	10.04%	Foot Locker Inc.	11,654	613,467	0.03%
Consumer Discretionary 9.81% (2017: 12.12%)				L Brands Inc.	23,179	593,151	0.03%
Amazon.com Inc.	41,540	62,714,600	2.91%	Michael Kors Holdings Ltd.	15,125	564,465	0.03%
Home Depot Inc.	114,233	19,675,492	0.91%	Harley-Davidson Inc.	16,472	562,025	0.03%
McDonald's Corp.	77,967	13,719,073	0.64%	Ralph Lauren Corp.	5,509	561,477	0.03%
NIKE Inc.	128,750	9,531,363	0.44%	Gap Inc.	21,671	557,595	0.03%
Booking Holdings Inc.	4,685	8,107,299	0.38%	H&R Block Inc.	20,926	530,474	0.02%
Starbucks Corp.	125,474	8,001,477	0.37%	Nordstrom Inc.	11,464	527,917	0.02%
Lowe's Cos. Inc.	81,205	7,535,824	0.35%	Goodyear Tire & Rubber Co.	23,444	481,071	0.02%
TJX Cos. Inc.	125,152	5,519,203	0.26%	Leggett & Platt Inc.	13,313	478,070	0.02%
General Motors Co.	132,755	4,513,670	0.21%	Hanesbrands Inc.	36,858	453,722	0.02%
Target Corp.	52,778	3,455,376	0.16%	Mattel Inc.	34,817	349,215	0.02%
Ross Stores Inc.	37,756	3,098,257	0.14%	Under Armour Inc. Class A	18,533	326,922	0.02%
Ford Motor Co.	395,149	3,094,017	0.14%	Under Armour Inc. Class C	19,865	319,032	0.01%
Marriott International Inc.	28,636	3,081,520	0.14%	Lennar Corp. Class B	1,987	63,127	0.00%
Yum! Brands Inc.	31,583	2,896,793	0.13%			211,365,754	9.81%
Dollar General Corp.	26,589	2,860,711	0.13%	Consumer Staples 7.30% (2017: 8.09%)			
O'Reilly Automotive Inc.	8,101	2,794,845	0.13%	Procter & Gamble Co.	251,965	23,054,798	1.07%
eBay Inc.	91,552	2,598,246	0.12%	Coca-Cola Co.	387,439	18,407,227	0.85%
VF Corp.	32,901	2,330,378	0.11%	PepsiCo Inc.	142,761	15,786,511	0.73%
AutoZone Inc.	2,550	2,152,685	0.11%	Wal-Mart Stores Inc.	143,976	13,342,256	0.62%
Hilton Worldwide Holdings Inc.	29,995	2,141,943	0.10%	Philip Morris International Inc.	157,213	10,537,987	0.49%
Dollar Tree Inc.	24,067	2,120,543	0.10%	Altria Group Inc.	190,036	9,290,860	0.43%
Carnival Corp.	40,441	1,977,969	0.09%	Costco Wholesale Corp.	44,320	9,013,802	0.42%
Royal Caribbean Cruises Ltd.	17,333	1,674,194	0.08%	Mondelez International Inc.	147,029	5,884,101	0.27%
Activ plc	26,615	1,634,427	0.08%	Walgreens Boots Alliance Inc.	81,307	5,572,782	0.26%
Genuine Parts Co.	14,785	1,413,594	0.07%	Colgate-Palmolive Co.	87,700	5,225,166	0.24%
				Kimberly-Clark Corp.	35,019	3,972,555	0.18%
				Sysco Corp.	48,364	3,019,848	0.14%
				Estee Lauder Cos Inc.	22,237	2,884,806	0.13%

	Number of Shares	Fair Value US Dollars (\$)	% of Total Net Equity		Number of Shares	Fair Value US Dollars (\$)	% of Total Net Equity
Constellation Brands Inc.	16,802	2,737,382	0.13%	PNC Financial Services Group Inc.	46,668	5,403,688	0.25%
Kraft Heinz Co.	62,918	2,706,732	0.13%	Morgan Stanley	132,216	5,245,009	0.24%
General Mills Inc.	60,292	2,335,712	0.11%	Charles Schwab Corp.	121,552	5,027,391	0.23%
Archer-Daniels-Midland Co.	56,697	2,315,505	0.11%	BlackRock Inc.	12,281	4,779,151	0.22%
Kroger Co.	80,706	2,236,363	0.10%	Bank of New York Mellon Corp.	91,998	4,313,786	0.20%
Clorox Co.	12,913	1,983,179	0.09%	Intercontinental Exchange Inc.	57,605	4,304,246	0.20%
Monster Beverage Corp.	40,264	1,978,170	0.09%	S&P Global Inc.	25,375	4,291,420	0.20%
McCormick & Co Inc.	12,300	1,715,112	0.08%	MetLife Inc.	99,797	4,076,707	0.19%
Church & Dwight Co. Inc.	24,872	1,642,049	0.08%	Marsh & McLennan Cos. Inc.	50,937	4,031,154	0.19%
Tyson Foods Inc.	29,874	1,570,177	0.08%	Capital One Financial Corp.	47,901	3,592,096	0.17%
Hershey Co.	14,146	1,506,266	0.07%	Progressive Corp.	58,969	3,521,629	0.16%
Kellogg Co.	25,641	1,465,896	0.07%	Aon plc	24,355	3,512,965	0.16%
Hormel Foods Corp.	27,594	1,171,641	0.05%	Aflac Inc.	76,983	3,474,243	0.16%
Lamb Weston Holdings Inc.	14,788	1,088,545	0.05%	American International Group Inc.	89,461	3,460,351	0.16%
JM Smucker Co.	11,485	1,080,164	0.05%	Prudential Financial Inc.	41,763	3,399,926	0.16%
Molson Coors Brewing Co.	18,900	1,055,943	0.05%	BB&T Corp.	77,940	3,352,199	0.16%
Conagra Brands Inc.	49,123	1,038,951	0.05%	Travelers Cos. Inc.	26,783	3,169,232	0.15%
Brown-Forman Corp.	16,860	801,187	0.04%	Allstate Corp.	34,829	2,864,337	0.13%
Campbell Soup Co.	19,489	652,102	0.03%	State Street Corp.	38,400	2,435,328	0.11%
Coty Inc.	45,753	297,395	0.01%	Moody's Corp.	16,857	2,362,677	0.11%
		157,371,170	7.30%	SunTrust Banks Inc.	45,463	2,266,785	0.11%
				T Rowe Price Group Inc.	24,335	2,240,767	0.10%
Energy 5.25% (2017: 6.03%)				M&T Bank Corp.	14,202	2,014,554	0.09%
Exxon Mobil Corp.	428,183	29,343,381	1.36%	Willis Towers Watson	13,150	1,990,910	0.09%
Chevron Corp.	193,242	21,092,364	0.98%	Discover Financial Services	33,970	1,988,944	0.09%
ConocoPhillips	116,421	7,233,237	0.34%	Northern Trust Corp.	22,387	1,870,210	0.09%
EOG Resources Inc.	58,643	5,172,899	0.24%	Hartford Financial Services Group Inc.	36,202	1,588,906	0.08%
Schlumberger Ltd.	140,014	5,134,313	0.24%	Synchrony Financial	66,861	1,572,571	0.07%
Occidental Petroleum Corp.	76,349	4,634,384	0.22%	Fifth Third Bancorp	66,299	1,552,060	0.07%
Marathon Petroleum Corp.	69,865	4,085,007	0.19%	KeyCorp	104,612	1,532,566	0.07%
Phillips 66	42,900	3,660,228	0.17%	Ameriprise Financial Inc.	14,090	1,460,006	0.07%
Valero Energy Corp.	42,908	3,166,181	0.15%	Regions Financial Corp.	104,635	1,403,155	0.07%
Kinder Morgan Inc.	191,914	2,936,284	0.14%	Citizens Financial Group Inc.	47,230	1,399,425	0.07%
Williams Cos. Inc.	122,405	2,626,811	0.12%	Arthur J Gallagher & Co.	18,592	1,351,267	0.06%
Halliburton Co.	88,646	2,352,665	0.11%	MSCI Inc.	8,891	1,302,532	0.06%
Pioneer Natural Resources Co.	17,236	2,257,399	0.10%	Huntington Bancshares Inc.	107,358	1,278,634	0.06%
Anadarko Petroleum Corp.	51,019	2,218,816	0.10%	Loews Corp.	28,001	1,262,845	0.06%
ONEOK Inc.	41,590	2,211,340	0.10%	Cincinnati Financial Corp.	15,274	1,176,709	0.06%
Concho Resources Inc.	20,250	2,077,043	0.09%	Principal Financial Group Inc.	26,674	1,165,120	0.05%
Diamondback Energy Inc.	15,604	1,442,434	0.07%	E*TRADE Financial Corp.	25,730	1,131,605	0.05%
Marathon Oil Corp.	84,189	1,198,009	0.06%	Lincoln National Corp.	21,608	1,110,003	0.05%
Baker Hughes Inc.	52,022	1,117,953	0.05%	Comerica Inc.	16,308	1,109,433	0.05%
Devon Energy Corp.	47,255	1,067,490	0.05%	CBOE Global Markets Inc.	11,331	1,087,549	0.05%
Hess Corp.	25,202	1,024,461	0.05%	SVB Financial Group	5,379	1,026,206	0.05%
Apache Corp.	38,350	1,016,275	0.05%	Raymond James Financial Inc.	13,025	967,237	0.05%
Cabot Oil & Gas Corp.	43,636	1,003,192	0.05%	Nasdaq Inc.	11,611	939,562	0.04%
National Oilwell Varco Inc.	38,601	999,766	0.04%	Everest Re Group Ltd.	4,122	890,929	0.04%
Noble Energy Inc.	48,421	898,694	0.04%	Franklin Resources Inc.	30,028	878,619	0.04%
Technipfmc plc	43,117	851,561	0.04%	Zions Bancorporation	19,485	788,948	0.04%
HollyFrontier Corp.	16,100	828,023	0.04%	Torchmark Corp.	10,397	770,418	0.04%
Cimarex Energy Co.	9,717	598,762	0.03%	Invesco Ltd.	41,741	692,483	0.03%
Helmerich & Payne Inc.	11,004	527,202	0.02%	Unum Group	22,199	646,879	0.03%
Newfield Exploration Co.	20,639	298,646	0.01%	People's United Financial Inc.	38,130	544,878	0.03%
		113,074,820	5.25%	Affiliated Managers Group Inc.	5,360	516,329	0.03%
				Jefferies Financial Group Inc.	28,426	498,592	0.02%
Financials 13.08% (2017: 14.72%)				Assurant Inc.	5,253	465,573	0.02%
Berkshire Hathaway Inc.	196,754	40,179,134	1.86%	Brighthouse Financial Inc.	11,920	372,619	0.02%
JPMorgan Chase & Co.	336,329	32,805,531	1.52%			281,911,556	13.08%
Bank of America Corp.	923,111	22,736,224	1.05%	Health Care 15.21% (2017: 13.71%)			
Wells Fargo & Co.	428,470	19,705,335	0.91%	Johnson & Johnson	271,244	34,768,056	1.61%
Citigroup Inc.	246,989	12,845,898	0.60%	Pfizer Inc.	584,620	25,220,507	1.17%
US Bancorp	153,647	6,966,355	0.32%	UnitedHealth Group Inc.	97,298	24,135,742	1.12%
CME Group Inc.	36,184	6,759,533	0.31%	Merck & Co Inc.	262,993	19,945,389	0.93%
American Express Co.	70,846	6,745,248	0.31%	Abbvie Inc.	152,128	13,934,925	0.65%
Chubb Ltd.	46,601	5,964,928	0.28%				
Goldman Sachs Group Inc.	34,986	5,730,007	0.27%				

	Number of Shares	Fair Value US Dollars (\$)	% of Total Net Equity		Number of Shares	Fair Value US Dollars (\$)	% of Total Net Equity
Abbott Laboratories	177,626	12,709,140	0.59%	Caterpillar Inc.	59,680	7,555,488	0.35%
Amgen Inc.	64,443	12,368,545	0.57%	United Parcel Service Inc.	70,312	6,813,233	0.32%
Medtronic	135,828	12,213,654	0.57%	General Electric Co.	879,675	6,597,563	0.31%
Eli Lilly & Co.	95,351	10,902,433	0.51%	Lockheed Martin Corp.	25,026	6,560,566	0.30%
Thermo Fisher Scientific Inc.	40,719	9,138,565	0.42%	CSX Corp.	81,133	5,053,775	0.23%
CVS Health Corp.	130,789	8,558,832	0.40%	Deere & Co.	32,532	4,756,829	0.22%
Bristol-Myers Squibb Co.	165,071	8,430,176	0.39%	Raytheon Co.	28,778	4,402,746	0.20%
Gilead Sciences Inc.	130,825	8,111,150	0.38%	General Dynamics Corp.	28,152	4,392,557	0.20%
Cigna Corp	38,647	7,374,621	0.34%	Northrop Grumman Corp.	17,558	4,272,037	0.20%
Anthem Inc.	26,158	6,792,971	0.32%	Norfolk Southern Corp.	27,544	4,098,272	0.19%
Danaher Corp.	62,377	6,371,811	0.30%	FedEx Corp.	24,519	3,907,593	0.18%
Becton Dickinson and Co.	27,129	6,069,571	0.28%	Illinois Tool Works Inc.	30,872	3,867,027	0.18%
Biogen Inc.	20,376	6,001,955	0.28%	Emerson Electric Co.	63,328	3,750,917	0.17%
Intuitive Surgical Inc.	11,550	5,510,967	0.26%	Waste Management Inc.	39,682	3,504,714	0.16%
Boston Scientific Corp.	139,950	4,887,054	0.23%	Delta Air Lines Inc.	63,086	3,172,595	0.15%
Stryker Corp.	31,409	4,877,818	0.23%	Eaton Corp. plc	43,833	3,002,122	0.14%
Illumina Inc.	14,868	4,473,781	0.21%	Roper Technologies Inc.	10,460	2,792,715	0.13%
Celgene Corp.	70,713	4,454,212	0.21%	Johnson Controls International plc	93,445	2,770,644	0.13%
Allergan	32,064	4,267,718	0.20%	Southwest Airlines Co.	51,171	2,395,315	0.11%
Vertex Pharmaceuticals Inc.	25,845	4,207,566	0.20%	Ingersoll-Rand plc	24,850	2,269,551	0.11%
Zoetis Inc.	48,591	4,144,812	0.19%	PACCAR Inc.	35,339	2,028,105	0.09%
Humana Inc.	13,875	3,925,793	0.18%	Parker-Hannifin Corp.	13,383	1,994,201	0.09%
HCA Healthcare Inc.	27,150	3,352,482	0.16%	Fortive Corp.	29,721	1,988,632	0.09%
Baxter International Inc.	50,044	3,282,386	0.15%	Cummins Inc.	14,938	1,977,791	0.09%
Edwards Lifesciences Corp.	21,142	3,199,842	0.15%	United Continental Holdings Inc.	23,144	1,938,079	0.09%
Regeneron Pharmaceuticals Inc.	7,849	2,862,766	0.13%	Stanley Black & Decker Inc.	15,276	1,821,663	0.08%
Centene Corp.	20,788	2,362,348	0.11%	Rockwell Automation Inc.	12,204	1,820,227	0.08%
Alexion Pharmaceuticals Inc.	22,565	2,212,724	0.10%	Verisk Analytics Inc.	16,650	1,807,524	0.08%
McKesson Corp.	19,763	2,181,242	0.10%	HIS Markit Ltd.	36,224	1,724,987	0.08%
Agilent Technologies Inc.	32,241	2,138,868	0.10%	TransDigm Group Inc.	4,914	1,664,568	0.08%
Zimmer Biomet Holdings Inc.	20,630	2,125,715	0.10%	Ametek Inc.	23,475	1,574,234	0.07%
Iqvia Holdings Inc.	16,026	1,836,740	0.09%	Harris Corp.	11,882	1,569,256	0.07%
Cerner Corp.	33,339	1,742,963	0.08%	Republic Services Inc.	21,853	1,568,390	0.07%
IDEXX Laboratories Inc.	8,720	1,634,564	0.07%	Fastenal Co.	29,052	1,520,582	0.07%
ResMed Inc.	14,432	1,623,600	0.07%	Cintas Corp.	8,760	1,471,242	0.07%
Align Technology Inc.	7,361	1,545,000	0.07%	L3 Technologies Inc.	7,965	1,349,908	0.06%
ABIOMED Inc.	4,562	1,461,209	0.07%	American Airlines Group Inc.	41,513	1,332,152	0.06%
Mylan NV	52,065	1,421,895	0.07%	WW Grainger Inc.	4,616	1,300,327	0.06%
Waters Corp.	7,669	1,421,833	0.07%	Xylem Inc.	18,137	1,188,336	0.06%
Mettler-Toledo International Inc.	2,529	1,419,831	0.06%	Expeditors International of Washington Inc.	17,443	1,167,634	0.05%
Cardinal Health Inc.	30,080	1,331,942	0.06%	CH Robinson Worldwide Inc.	13,892	1,160,677	0.05%
Laboratory Corp. of America Holdings	10,198	1,274,444	0.06%	Equifax Inc.	12,210	1,139,559	0.05%
Cooper Cos. Inc.	4,960	1,248,878	0.06%	Textron Inc.	24,585	1,126,239	0.05%
Henry Schein Inc.	15,420	1,206,769	0.05%	Dover Corp.	14,777	1,033,651	0.05%
WellCare Health Plans Inc.	5,045	1,177,503	0.05%	Copart Inc.	20,789	994,130	0.05%
AmerisourceBergen Corp.	15,881	1,176,623	0.05%	Kansas City Southern	10,298	987,063	0.05%
Quest Diagnostics Inc.	13,765	1,133,272	0.05%	Masco Corp.	30,823	895,100	0.04%
Incyte Corp.	17,901	1,124,183	0.05%	Nielsen Holdings plc	35,944	838,214	0.04%
Hologic Inc.	27,236	1,108,505	0.05%	United Rentals Inc.	8,188	836,077	0.04%
Varian Medical Systems Inc.	9,233	1,038,251	0.05%	JB Hunt Transport Services Inc.	8,828	827,448	0.04%
Universal Health Services Inc.	8,620	1,007,333	0.04%	Huntington Ingalls Industries Inc.	4,343	820,262	0.04%
PerkinElmer Inc.	11,218	874,219	0.04%	Snap-on Inc.	5,638	816,101	0.04%
Dentsply Sirona Inc.	22,534	840,068	0.04%	Allegion plc	9,631	759,308	0.04%
DaVita Inc.	12,740	643,752	0.03%	Alaska Air Group Inc.	12,495	756,447	0.04%
Nektar Therapeutic	17,461	592,801	0.02%	Arconic Inc.	43,515	730,182	0.04%
Perrigo Co.	12,642	503,404	0.02%	Jacobs Engineering Group Inc.	12,102	698,043	0.03%
Express Scripts Holding Co.	409	37,763	0.00%	Robert Half International Inc.	12,316	697,825	0.03%
		327,943,482	15.21%	AO Smith Corp.	14,607	625,472	0.03%
Industrials 9.03% (2017: 10.01%)				Pentair plc	16,172	605,641	0.03%
Boeing Co.	53,413	17,118,867	0.79%	Fortune Brands Home & Security Inc.	14,272	538,197	0.03%
3M Co.	58,890	11,218,545	0.52%	Rollins Inc.	14,832	532,765	0.03%
Union Pacific Corp.	74,517	10,272,168	0.48%	Flowserve Corp.	13,327	505,227	0.03%
Honeywell International Inc.	74,868	9,844,393	0.46%	Fluor Corp.	14,359	458,914	0.02%
United Technologies Corp.	82,078	8,667,437	0.40%	Quanta Services Inc.	14,730	441,753	0.02%
						194,689,802	9.03%

	Number of Shares	Fair Value US Dollars (\$)	% of Total Net Equity		Number of Shares	Fair Value US Dollars (\$)	% of Total Net Equity
Information Technology 19.85% (2017: 23.70%)							
Microsoft Corp.	781,678	79,090,180	3.67%	Western Union Co.	44,733	762,250	0.03%
Apple Inc.	455,934	72,279,217	3.35%	Alliance Data Systems Corp.	4,738	710,700	0.03%
Visa Inc.	177,724	23,402,686	1.09%	FLIR Systems Inc.	14,021	602,763	0.03%
Intel Corp.	461,593	21,741,030	1.01%	IPG Photonics Corp.	3,604	417,163	0.01%
Cisco Systems Inc.	454,700	19,638,493	0.91%	Xerox Corp.	20,999	413,680	0.01%
MasterCard Inc.	91,897	17,239,877	0.80%			427,911,732	19.85%
Oracle Corp.	260,954	11,792,511	0.55%	Materials 2.68% (2017: 2.97%)			
Adobe Systems Inc.	49,369	11,135,672	0.52%	DowDuPont Inc.	232,045	12,379,601	0.57%
Broadcom Inc.	41,815	10,781,161	0.50%	Linde plc	55,733	8,707,167	0.40%
Salesforce.com Inc.	77,371	10,522,456	0.49%	Ecolab Inc.	25,715	3,725,332	0.17%
International Business Machines Corp.	91,909	10,435,348	0.48%	Air Products & Chemicals Inc.	22,208	3,553,502	0.16%
Paypal Holdings Inc.	119,174	10,033,259	0.47%	Sherwin-Williams Co.	8,334	3,256,427	0.15%
Texas Instruments Inc.	97,151	9,181,741	0.43%	LyondellBasell Industries NV	31,822	2,626,906	0.12%
Accenture plc	64,470	9,051,588	0.42%	PPG Industries Inc.	24,264	2,470,560	0.11%
NVIDIA Corp.	61,694	8,353,368	0.39%	Newmont Mining Corp.	53,684	1,846,730	0.09%
QUALCOMM Inc.	122,593	7,001,286	0.32%	Nucor Corp.	31,777	1,650,815	0.08%
Automatic Data Processing Inc.	44,271	5,758,772	0.27%	International Paper Co.	40,889	1,630,653	0.08%
Intuit Inc.	26,251	5,181,160	0.24%	Ball Corp.	34,339	1,546,972	0.07%
Cognizant Technology Solutions Corp.	58,557	3,703,145	0.17%	Freeport-McMoRan Inc.	146,265	1,528,469	0.07%
Micron Technology Inc.	113,288	3,620,684	0.17%	International Flavors & Fragrances Inc.	10,253	1,364,469	0.06%
Fidelity National Information Services Inc.	33,117	3,349,122	0.16%	Vulcan Materials Co.	13,345	1,300,203	0.06%
HP Inc.	159,992	3,278,236	0.15%	Celanese Corp.	13,500	1,210,950	0.06%
Applied Materials Inc.	99,419	3,251,995	0.15%	Martin Marietta Materials Inc.	6,350	1,071,817	0.05%
Analog Devices Inc.	37,443	3,223,468	0.15%	Mosaic Co.	35,825	1,038,567	0.05%
Red Hat Inc.	17,877	3,129,905	0.15%	Eastman Chemical Co.	14,138	1,024,722	0.05%
Fiserv Inc.	40,299	2,955,529	0.14%	FMC Corp.	13,586	997,756	0.05%
Autodesk Inc.	22,149	2,861,429	0.13%	CF Industries Holdings Inc.	23,361	993,310	0.05%
TE Connectivity Ltd.	34,694	2,602,397	0.12%	Westrock Co.	25,601	958,501	0.04%
Amphenol Corp.	30,477	2,461,323	0.11%	Albemarle Corp.	10,736	826,672	0.04%
Corning Inc.	80,950	2,424,453	0.11%	Packaging Corp. of America	9,565	790,069	0.04%
Xilinx Inc.	25,595	2,180,950	0.10%	Avery Dennison Corp.	8,775	781,853	0.03%
Lam Research Corp.	15,695	2,146,762	0.10%	Sealed Air Corp.	15,932	545,512	0.03%
Paychex Inc.	32,316	2,106,680	0.10%			57,827,535	2.68%
Helwett Packard Enterprise Co.	144,064	1,893,001	0.09%	Real Estate 2.92% (2017: 2.86%)			
Motorola Solutions Inc.	16,525	1,867,821	0.09%	American Tower Corp.	44,552	7,113,618	0.33%
Microchip Technology Inc.	23,948	1,721,622	0.08%	Simon Property Group Inc.	31,284	5,263,846	0.24%
FleetCor Technologies Inc.	8,980	1,656,900	0.08%	Crown Castle International Corp.	41,958	4,552,443	0.21%
Global Payments Inc.	15,997	1,649,291	0.08%	Prologis Inc.	63,676	3,732,050	0.17%
Advanced Micro Devices Inc.	88,834	1,610,560	0.07%	Public Storage	15,167	3,066,616	0.14%
VeriSign Inc.	10,758	1,589,279	0.07%	Equinix Inc.	8,131	2,864,958	0.13%
NetApp Inc.	25,497	1,528,290	0.07%	Welltower Inc.	37,994	2,637,164	0.12%
DXC Technology Company	28,337	1,504,978	0.07%	Equity Residential	37,271	2,450,196	0.11%
Maxim Integrated Products Inc.	27,982	1,416,169	0.07%	AvalonBay Communities Inc.	13,984	2,421,190	0.11%
KLA-Tencor Corp.	15,498	1,394,975	0.06%	Digital Realty Trust Inc.	20,863	2,222,535	0.10%
Total System Services Inc.	16,990	1,371,263	0.06%	Ventas Inc.	36,054	2,117,451	0.10%
Citrix Systems Inc.	12,973	1,329,733	0.06%	Realty Income Corp.	29,805	1,882,484	0.09%
Synopsys Inc.	15,103	1,268,803	0.06%	SBA Communications Corp.	11,460	1,867,980	0.09%
Cadence Design Systems Inc.	28,480	1,241,728	0.06%	Boston Properties Inc.	15,622	1,753,101	0.08%
Skyworks Solutions Inc.	17,945	1,216,671	0.06%	Weyerhaeuser Co.	75,768	1,659,319	0.08%
ANSYS Inc.	8,433	1,213,677	0.06%	Essex Property Trust Inc.	6,691	1,637,288	0.08%
Symantec Corp.	64,675	1,203,602	0.06%	HCP Inc.	48,311	1,351,259	0.06%
Gartner Inc.	9,208	1,164,720	0.05%	CBRE Group Inc.	32,055	1,282,200	0.06%
Keysight Technologies Inc.	18,924	1,149,255	0.05%	Host Hotels & Resorts Inc.	75,152	1,258,044	0.06%
Broadridge Financial Solutions Inc.	11,804	1,128,817	0.05%	Alexandria Real Estate Equities Inc.	10,879	1,240,206	0.06%
Western Digital Corp.	29,200	1,110,768	0.05%	Extra Space Storage Inc.	12,773	1,149,059	0.06%
Arista Networks Inc.	5,266	1,094,169	0.05%	UDR Inc.	27,823	1,098,174	0.05%
Fortinet Inc.	14,655	1,041,531	0.05%	Mid-America Apartment Communities Inc.	11,495	1,093,749	0.05%
Seagate Technology plc	26,396	1,018,886	0.05%	Vornado Realty Trust	17,480	1,087,606	0.05%
Akamai Technologies Inc.	16,473	1,009,960	0.05%	Regency Centers Corp.	17,128	1,003,701	0.05%
F5 Networks Inc.	6,146	995,898	0.05%	Iron Mountain Inc.	28,932	937,107	0.05%
Henry Jack & Associates Inc.	7,799	986,106	0.05%	Duke Realty Corporation	36,161	925,722	0.04%
Juniper Networks Inc.	34,847	937,384	0.04%	Federal Realty Investment Trust	7,491	895,324	0.04%
Qorvo Inc.	12,609	773,436	0.03%				

	Number of Shares	Fair Value US Dollars (\$)	% of Total Net Equity		Number of Shares	Fair Value US Dollars (\$)	% of Total Net Equity
Apartment Investment & Management Co.	15,779	686,702	0.03%	Edison International	32,967	1,885,383	0.09%
SL Green Realty Corp.	8,590	681,187	0.03%	FirstEnergy Corp.	49,070	1,832,274	0.09%
Kimco Realty Corp.	42,493	628,047	0.03%	American Water Works Co. Inc.	18,226	1,641,434	0.08%
Macerich Co.	10,679	461,974	0.02%	Ameren Corp.	24,728	1,608,804	0.07%
		63,022,300	2.92%	Energy Corp.	18,320	1,568,558	0.07%
				Evergy Inc.	26,601	1,506,149	0.07%
Utilities 3.30% (2017: 2.90%)				CenterPoint Energy Inc.	50,684	1,419,152	0.07%
NextEra Energy Inc.	48,346	8,364,341	0.39%	CMS Energy Corp.	28,666	1,416,960	0.07%
Duke Energy Corp.	72,112	6,218,939	0.29%	PG&E Corp.	52,359	1,216,300	0.06%
Dominion Energy Inc.	66,391	4,867,788	0.23%	NRG Energy Inc.	29,352	1,145,609	0.05%
Southern Copper Corp.	104,063	4,574,609	0.21%	Alliant Energy Corp.	23,794	1,015,290	0.05%
Exelon Corp.	97,834	4,381,007	0.20%	AES Corp.	66,892	970,603	0.05%
American Electric Power Inc.	49,888	3,730,625	0.17%	Pinnacle West Capital Corp.	11,314	965,424	0.04%
Sempra Energy	27,676	2,977,107	0.14%	NiSource Inc.	36,696	934,647	0.04%
Public Service Enterprise Group Inc.	51,139	2,623,431	0.12%	Scana Corp.	14,465	706,471	0.03%
Xcel Energy Inc.	51,999	2,566,151	0.12%			70,924,843	3.30%
Consolidated Edison Inc.	31,498	2,408,967	0.11%	Financial Assets at Fair Value			
WEC Energy Group Inc.	31,911	2,208,560	0.10%	Through Profit or Loss		2,122,492,989	98.47%
Eversource Energy	32,057	2,072,485	0.10%				
PPL Corp.	72,837	2,067,114	0.10%				
DTE Energy Co.	18,397	2,030,661	0.09%				

	Number of Contracts	Notional Amount	Unrealised Gain/(Loss) US Dollars (\$)	% of Total Net Equity
Financial Derivative Instruments (0.01%) (2017: 0.01%)				
Futures (0.01%) (2017: 0.01%)				
S&P 500 E-mini Futures 15 March 2019	261	32,958,680	(288,005)	(0.01%)
Total Financial Derivative Instruments			(288,005)	(0.01%)

	Fair Value US Dollars (\$)	% of Total Net Equity
Other Assets and Liabilities	33,201,168	1.54%
Net Equity Attributable to Holders of Redeemable Units (for financial reporting purposes)	2,155,406,152	100.00%

	US Dollars (\$)	% of Total Net Equity
Analysis of Total Net Equity		
(a) Transferable securities admitted to official exchange listing	2,122,492,989	98.47%
(b) Financial Derivative Instruments	(288,005)	(0.01%)
(c) Other assets and liabilities	33,201,168	1.54%
Total Net Equity (for financial reporting purposes)	2,155,406,152	100.00%

Significant Portfolio Changes (unaudited)

For the Year Ended 31 December 2018

	Shares	Cost US Dollars (\$)		Shares	Proceeds US Dollars (\$)
Purchases			Sales		
Apple Inc.	78,643	14,167,066	Apple Inc.	71,124	14,291,635
Microsoft Corp.	132,087	12,879,140	Express Scripts Holding Co.	57,617	5,455,730
Amazon.com Inc.	8,041	12,677,269	Microsoft Corp.	29,189	3,051,022
Facebook Inc.	43,306	7,188,801	Amazon.com Inc.	1,565	2,758,324
Berkshire Hathaway Inc.	34,988	7,056,401	Oracle Corp.	52,969	2,496,477
Alphabet Inc. Class C	5,924	6,411,091	Cisco Systems Inc.	52,968	2,393,014
Johnson & Johnson	45,135	5,962,296	Rockwell Collins Inc.	16,936	2,385,213
JPMorgan Chase & Co.	53,970	5,935,716	JPMorgan Chase & Co.	21,140	2,356,786
Exxon Mobil Corp.	72,075	5,622,328	Bank of America Corp.	76,034	2,231,833
Alphabet Inc. Class A	5,073	5,479,270	Andeavor	14,155	2,162,866
Bank of America Corp.	150,660	4,439,616	QUALCOMM Inc.	32,960	1,985,027
Linde plc	26,745	4,391,175	Amgen Inc.	9,849	1,879,931
Chevron Corp.	33,759	3,984,889	Citigroup Inc.	25,198	1,660,840
UnitedHealth Group Inc.	16,420	3,921,565	Facebook Inc.	9,386	1,609,368
AT&T Inc.	114,747	3,829,041	Wells Fargo & Co.	30,383	1,608,499
Verizon Communications Inc.	74,500	3,802,184	Alphabet Inc. Class C	1,346	1,505,946
Wells Fargo & Co.	69,919	3,764,257	Berkshire Hathaway Inc.	6,828	1,391,249
Pfizer Inc.	97,803	3,741,829	Starbucks Corp.	22,169	1,363,115
Intel Corp.	74,245	3,650,432	Johnson & Johnson	10,298	1,352,629
Visa Inc.	28,459	3,614,025	Boeing Co.	3,784	1,336,462

The Central Bank of Ireland requires a schedule of material changes in the composition of the portfolio during the year. These are defined as aggregate purchases of a security exceeding 1% of the total value of purchases for the year and aggregate disposals greater than 1% of the total value of sales. At a minimum, the largest 20 purchases and 20 sales must be shown; all purchases and sales must be shown if there are fewer than 20. A full listing of the portfolio changes for the year is available, upon request, at no extra cost from the Administrator, State Street Fund Services (Ireland) Limited.

Statement of Assets and Liabilities

	US Dollars (\$) As at 31 December 2018	US Dollars (\$) As at 31 December 2017
Current Assets		
Financial Assets at Fair Value Through Profit or Loss	2,122,492,989	2,007,487,382
Financial Derivative Instruments	—	199,898
Cash	29,985,068	12,561,068
Receivables:		
Cash Collateral	1,566,000	697,500
Interest and Dividends	2,447,615	2,026,674
Receivable for Fund Units Sold	4,098,317	451,248
Investments Sold or Matured	524,356	2,449,394
Total Current Assets	2,161,114,345	2,025,873,164
Equity		
Net Equity Attributable to Holders of Redeemable Units ("Net Equity")	2,155,406,152	2,024,507,566
Total Equity	2,155,406,152	2,024,507,566
Current Liabilities		
Financial Derivative Instruments	288,005	—
Payables and Other Liabilities:		
Investments Purchased	5,044,686	1,023,756
Management Fees Payable	373,784	341,842
Payable to Equity Holders	1,718	—
Total Liabilities	5,708,193	1,365,598
Total Equity and Liabilities	2,161,114,345	2,025,873,164

Net Equity Value Per Unit

	As at 31 December 2018 ¹	As at 31 December 2017 ¹	As at 31 December 2016 ¹
GBP Accumulation Units (£)			
Net Equity Attributable to Holders of Redeemable Units	£1,692,373,181	£1,496,586,851	£1,500,075,616
Number of Units Outstanding	5,936,257	5,277,892	5,876,053
Net Equity Value Per Unit	£285.09	£283.56	£255.29

On behalf of the Board of Directors of the Manager,

Sean P. Hagerty
Tara Doyle
23 April 2019

¹ The net equity value per unit shown may diverge from the net equity value per unit used for dealing purposes because of any adjustments for swing pricing and trade date accounting. The accompanying notes form an integral part of the financial statements.

Statement of Operations

	US Dollars (\$) Year Ended 31 December 2018	US Dollars (\$) Year Ended 31 December 2017
Investment Income		
Dividends	44,551,111	41,183,594
Interest	28,327	—
Net Gain/(Loss) on Financial Instruments	(156,702,346)	356,478,398
Total Investment Income/(Loss)	(112,122,908)	397,661,992
Expenses		
Management Fees	4,465,138	4,031,341
Transaction Fees and Commissions	67,010	—
Net Investment Income/(Loss)	(116,655,056)	393,630,651
Interest Expense	—	1,377
Foreign Withholding Tax	—	—
Net Increase/(Decrease) in Net Equity Attributable to Holders of Redeemable Units	(116,655,056)	393,629,274

Statement of Changes in Equity

	US Dollars (\$) Year Ended 31 December 2018	US Dollars (\$) Year Ended 31 December 2017
Increase/(Decrease) in Net Equity		
Net Increase/(Decrease) in Net Equity Attributable to Holders of Redeemable Units From Operations	(116,655,056)	393,629,274
Capital Transactions		
Subscriptions	552,117,655	252,125,179
Redemptions	(304,564,013)	(474,814,536)
Total Capital Transactions	247,553,642	(222,689,357)
Total Increase/(Decrease) for the Year	130,898,586	170,939,917
Net Equity Attributable to Holders of Redeemable Units		
Beginning of Year	2,024,507,566	1,853,567,649
End of Year	2,155,406,152	2,024,507,566

Notes to the Financial Statements

1. General Information. Vanguard Common Contractual Fund (the "Fund") is a common contractual fund constituted by a Deed of Constitution governed by the laws of Ireland. The Fund is constituted as an umbrella fund insofar as the units of the Fund (the "Units") will be divided into different series of Units with each series of Units representing a separate investment portfolio of assets which will constitute a separate sub-fund (each a "Sub-Fund", collectively "Sub-Funds"). Units of any particular series may be divided into different classes to accommodate different subscription and redemption provisions, other charges, dividends and fee arrangements, including different total ongoing charges figures.

The Fund was authorised by the Central Bank of Ireland (the "Central Bank") on 24 February 2006 as an Undertaking for Collective Investment in Transferable Securities (UCITS) under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) (the "UCITS Regulations").

Vanguard Group (Ireland) Limited (the "Manager") acts as Manager to the Sub-Fund. The registered office of the Manager is 70 Sir John Rogerson's Quay, Dublin 2, Ireland.

At 31 December 2018 one Sub-Fund was in issue:

	Commenced Operations
Vanguard U.S. Equity Index Common Contractual Fund (the "U.S. Equity Index Common Contractual Fund")	19 December 2011

The following Sub-Funds have received Central Bank approval but have not yet commenced trading:

	Central Bank Approval
Vanguard Enhanced U.S. Equity Fund (the "Enhanced U.S. Equity Fund")	24 February 2006
Vanguard North America Stock Index Fund (the "North America Stock Index Fund")	24 February 2006

2. Basis of Preparation. These audited annual financial statements have been prepared in accordance with Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the UK and the Republic of Ireland, and the UCITS Regulations. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Financial Reporting Council ("FRC").

The Sub-Funds have availed of the exemption contained in FRS 102, Section 7.1A, Cash Flow Statements, and have presented a Statement of Changes in Equity or Statement of Changes in Net Assets to Holders of Redeemable Units, as applicable, in place of a cash flow statement. In the opinion of the Directors of the Manager (the "Directors"), this information also satisfies the requirement of FRS 102, Section 10.4, Reporting Financial Performance, in relation to a reconciliation of movements in Unitholders' Equity or Net Assets.

3. Critical Accounting Estimates and Judgements. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the Board of the Manager to exercise its judgement in the process of applying accounting policies.

The estimates and associated judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the classification of financial assets and liabilities, the carrying values of financial instruments, as well as the fair value of financial instruments in instances where information is not readily apparent from other sources.

4. Significant Accounting Policies.

(i) **Revenue Recognition.** Dividends, whether cash or stock, are recognised on an "ex-date" basis. Special dividends are treated as either capital or revenue, depending on the facts of each particular case.

Interest income is recognised using the effective interest method where any difference between the acquisition cost and maturity value of all debt instruments is recognised as an adjustment to its yield over the life of the instrument.

The treatment of returns from derivatives is dependent upon the nature of the transaction and considers both motives and circumstances to determine whether returns should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital, the returns are considered capital. Similarly, where positions are undertaken for generating or protecting revenue, the returns are considered revenue. Where positions generate total returns an apportionment of any such return between capital and revenue is made to properly reflect the nature of the transaction.

Bank interest is recognised on an accrual basis in the Statement of Operations.

Revenue is recognised gross of any withholding taxes incurred in the Statement of Operations.

(ii) **Financial Assets and Financial Liabilities.** FRS 102 requires a reporting entity to apply either (a) the full requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments Issues; (b) the recognition and measurement provisions of International Accounting Standards ("IAS") 39, Financial Instruments: Recognition and Measurement ("IAS 39"), and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments; or (c) the recognition and measurement provisions of International Financial Reporting Standards ("IFRS") 9, Financial Instruments, and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments. The Company has elected to apply the recognition and measurement provisions of IAS 39 and the disclosure requirements of FRS 102.

Classification. Financial assets and financial liabilities, including derivative investments, are classified as held for trading or designated at fair value through profit or loss (“FVTPL”) at inception.

Recognition and Derecognition. Regular purchases and sales of financial instruments are recognised on the trade date, being the date on which the Company commits itself to the purchase or sale. Financial instruments at FVTPL are initially recognised when the Funds become party to the contractual provisions of the instrument. Financial instruments are derecognised when the contractual rights to the cash flows from the instruments expire, or when substantially all the risks and rewards of ownership have been transferred. Realised gains and losses are specifically identified when securities are derecognised. Premiums received on expired options are realised as gains while premiums paid on expired options are realised as losses. Premiums on exercised options will result in gains or losses by either increasing the proceeds received when selling the underlying or decrease the cost basis when purchasing the underlying.

Measurement. Financial instruments are initially measured at fair value. Subsequent to initial recognition, financial instruments are measured at fair value with the resultant gains and losses being taken to profit or loss. The gain or loss specific to forward foreign currency contracts is reported with all other foreign currency gains and losses.

Equities. Equities (including warrants) are valued at the latest available last traded value at year-end. Instruments traded on a recognised market are valued on the basis of valuations provided by a principal market maker or a pricing service. When applicable, unlisted and suspended instruments are based on the Investment Manager’s assessment of their net realisable value or the last traded price from broker-dealers for non-exchange-trade purposes.

Derivatives. Futures contracts are valued in an active market if quoted prices are readily and regularly available; this represents the amount that would be required to close the position.

(iii) Fair Value Hierarchy. The Funds classify financial instruments measured at fair value using a three-level hierarchy. Instruments are categorised in their entirety based on the lowest level input that is significant to the fair value measurement. Assessing the significance and observability of a particular input requires significant judgement specific to an asset or liability. Inputs are considered to be observable when they are readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

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).

(iv) Transaction Costs. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment. These costs include fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs incurred in the purchase and sale of securities designated at FVTPL are expensed on an accrual basis.

(v) Foreign Currency. All transactions in foreign currencies are translated into the Sub-Fund’s functional currency, the US dollar (\$), at the exchange rates prevailing on the date of the transaction. At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the prevailing exchange rates. Gains and losses arising on translation are included in total return and are reported on a net basis.

(vi) Trade Date Reporting. Investment transactions for financial statement purposes are accounted for on the trade date. This is different from the basis used for the daily dealing net asset/net equity value, which is accounted for using the trade date plus one business day.

(vii) Cash and Bank Overdrafts. Cash is composed of demand deposits with financial institutions or bank overdrafts. Bank overdrafts, when applicable, are presented as current liabilities. Cash held or pledged as collateral against financial transactions or derivative instruments is not included within Cash and Bank Overdrafts but is segregated and presented separately on the statement of assets and liabilities as Cash Collateral.

In respect to share issuances or redemptions, the Company operates an umbrella cash account. Monies received or proceeds due will be held and transmitted through this account and are included in Cash and Bank Overdrafts.

(viii) Margin. Upon entering into futures contracts, cash deposits are required (initial margin) in an amount equal to a certain percentage of the contract value. Subsequent payments (variation margin) are made or received by the Funds each day. Margin against these derivative instruments is not included within Cash or Bank Overdrafts but is segregated and presented separately as Futures Margin Cash or Futures Margin Cash Due to Broker, as applicable.

(ix) Swing Pricing. Prior to 2 October 2017, the Sub-Funds charged a dilution levy on any purchase, sale or switch of units where it considered this was justified to protect the interests of unitholders. Where charged, the levy was paid into and became part of the property of the Sub-Funds. With effect from 2 October 2017, the dilution levy is no longer charged and instead a dilution adjustment to the price of units (also known as “swing pricing”) has been implemented.

Swing pricing results from the Manager’s determination to adjust the Sub-Funds’ net asset value, on any dealing day, following a consideration of dealing activity (i.e. level of subscriptions and redemptions) and the level of costs associated with such activity. A dilution adjustment is exercised only for the purpose of reducing the negative effects of transaction charges in the interest of the non-dealing unitholders in the Sub-Funds and is applied consistently in respect of the Sub-Funds, and in respect of all assets of the Sub-Funds. The direction of the swing depends on whether there are net subscriptions or net redemptions in the Sub-Funds on the relevant dealing day, while the magnitude of the swing is based on pre-determined estimates of the average execution costs in the relevant asset classes in which the Sub-Funds are invested.

The dilution adjustments applied during the year ended 31 December 2018 did not exceed 2% of the original net asset value per unit of the Sub-Funds.

5. Financial Risk Management.

Price Risk. Price risk arises mainly from uncertainty about future prices of financial instruments held. Markets tend to move in cycles, with periods of rising prices and periods of falling prices. This volatility in price means that the value of an investor's holding may go up or down, cannot be predicted and may be unable to recover the original amount invested.

The Directors manage the price risks inherent in the investment portfolio by ensuring full and timely access to relevant information from the Investment Manager, Vanguard Global Advisers, LLC. The Directors meet regularly and at each meeting review investment performance and overall market conditions. They monitor the Investment Manager's compliance with the Sub-Funds' objectives.

Foreign Currency Risk. Currency risk is the risk that the value of the Sub-Funds' investments will fluctuate as a result of changes in currency exchange rates. Since a substantial portion of the financial assets of the Sub-Funds are denominated in currencies other than the US Dollar (\$), local interest rates and monetary policy, as well as other government fiscal and labour policies, can also adversely impact the Sub-Funds' currency values. The Sub-Funds invest in foreign currency contracts to protect against these currency fluctuations.

Interest Rate Risk. Fixed income securities in which the Sub-Funds may invest are interest-rate-sensitive and may be subject to price volatility owing to such factors including, but not limited to, changes in interest rates, market perception of the creditworthiness of the issuer and general market liquidity. The magnitude of these fluctuations will normally be greater when the maturity of the outstanding securities is longer. To compensate investors for these larger fluctuations, longer-maturity securities usually offer higher yields than shorter-maturity securities, when other factors, including credit quality, are equal. The maturity date for each fixed income holding can be found in the Statement of Investments. For fixed rate securities, an increase in market interest rates will generally cause a decline in value, while a decline in market interest rates will generally cause an increase in value. Because of the small number of fixed income investments, if any, interest rate risk is deemed immaterial for the Sub-Funds.

Management of Market Risk (Including Price, Currency and Interest Rate Risks). The Investment Manager performs daily reviews of portfolio attributes, such as sector diversification, maturity, and credit quality, and makes adjustments where necessary to ensure that the risk components of the Sub-Fund closely match those of the benchmark. In addition, the Investment Manager and State Street Fund Services (Ireland) Limited (the "Administrator") perform daily checks of Sub-Fund performance against the benchmark. Potential tracking errors are raised and discussed by the Investment Manager and the Administrator for investigation and resolution. Market impact, currency discrepancies and interest rate exposure are investigated as possible causes.

Currency positions in a Sub-Fund's account are reconciled daily and discrepancies are immediately resolved. Procedures are established with the Investment Manager to trade currency as closely as possible to the close of the markets, so as to obtain exchange rates that closely approximate the rates used in the valuation of the Sub-Fund.

Market Risk Sensitivity Analysis. Market risk exposures to the Sub-Funds are measured using value at risk ("VaR"), which estimates the maximum expected loss over a defined period given a specified confidence level. The VaR methodology is a statistically defined, probability-based approach that takes into account estimates for market volatilities and correlations between assets in the portfolio. Risks can be measured consistently across markets and products, and risk measures can be aggregated to arrive at a single risk number.

For the purpose of this annual report, a one-year historical (ex-post) absolute VaR calculation is presented below. The calculation includes a 95% confidence interval with a 260-trading-day (one-year) VaR period. That is, under normal market conditions and assuming no changes to Sub-Fund holdings, there is a 95% probability that the value of a Sub-Fund's assets will not decrease by more than the calculated value over a one-year period.

	Value at Risk (%)	
	31 December 2018	31 December 2017
Vanguard U.S. Equity Index Common Contractual Fund	31.77%	8.96%

Global exposure is measured using the commitment approach, which considers the full constituents of the portfolio. The Investment Manager will observe the regulatory limit and any internal risk limits which may be appropriate for the portfolio.

The use of derivatives may expose the Sub-Funds to a higher degree of risk. In particular, derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard securities. Leveraged derivative positions can therefore increase Sub-Fund volatility. The leverage is calculated on a gross exposure basis, by taking the sum of the notional values of the derivatives used by a Sub-Fund, without netting, and is expressed as a percentage of the net equity. The Sub-Fund may use index futures contracts to a limited extent, to maintain full exposure to the stock market, maintain liquidity and minimise transaction costs. In the opinion of the Directors, the Sub-Funds did not employ any significant leverage during the year.

Liquidity Risk. Liquidity risk is the risk that the Sub-Funds cannot raise sufficient cash to meet liabilities when due. One of the key liquidity factors influencing the Sub-Funds is exposure to cash redemptions of redeemable units. Hence the Sub-Funds invest the large majority of their assets in investments that are traded in active markets and can ordinarily be readily disposed. However, liquidity risk will occur if an issuer becomes credit-impaired or if the relevant market becomes illiquid. In such a case, it may not be possible to initiate or liquidate a position at a price deemed by the Investment Manager to be demonstrating fair value. The Sub-Funds use index futures contracts to a limited extent, to maintain full exposure to the stock market, maintain liquidity and minimise transaction costs. The Sub-Funds 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. While some of these futures contracts mature beyond one month from the date of the financial statements, the exposure is insignificant to the overall investment strategy of the Sub-Fund.

Management of Liquidity Risk. The Investment Manager receives from the Administrator daily reports of capital unit activity that enable the Investment Manager to raise cash from a Sub-Fund's portfolio in order to meet any redemption requests. The Investment Manager incorporates cash forecasts into the daily management of the portfolio. Sub-Fund cash balances are monitored daily by the Investment Manager and the Administrator.

Credit Risk. Credit risk is the risk that a counterparty to a transaction or an issuer of a financial instrument will fail to pay interest or principal when due, or that perceptions of the issuer's ability to make such payments will cause the price of an investment to decline. Credit risk generally increases in Sub-Funds that invest significantly in debt securities or use over-the-counter derivative contracts to a material degree.

The Sub-Funds also take on exposure to credit risk during trade settlements with brokers and custodians. However, transactions are performed with approved brokers and only paid for once settled or delivered. The risk of default is therefore considered minimal because securities are delivered only when the broker has made payment and the broker is paid for purchases only once the securities have been received by the Depository, State Street Custodial Services (Ireland) Limited.

As of 31 December 2018, the Depository has a long-term credit rating of AA+ from Fitch (31 December 2017: AA+ from Fitch).

However, as substantially all of the assets of the Sub-Fund are held by State Street Custodial Services (Ireland) Limited (the "Depository"), credit risk may also arise from bankruptcy or insolvency of the Depository which may cause the Sub-Fund's rights with respect to securities and other positions held by the Depository to be delayed or limited. The Sub-Fund's securities and other positions are segregated from the assets of either the Depository or its agents, even in the event of insolvency or bankruptcy.

6. Fair Value

Fair Value Measurement as at 31 December 2018

Vanguard U.S. Equity Index Common Contractual Fund

	Level 1 USD (\$)	Level 2 USD (\$)	Level 3 USD (\$)	Total USD (\$)
Financial Assets at Fair Value through Profit or Loss				
Equities	2,122,492,989	—	—	2,122,492,989
Open Forward Currency Exchange Contracts	—	—	—	—
Futures	—	—	—	—
Financial Liabilities at Fair Value through Profit or Loss				
Open Forward Currency Exchange Contracts	—	—	—	—
Futures	(288,005)	—	—	(288,005)
	2,122,204,984	—	—	2,122,204,984

Fair Value Measurement as at 31 December 2017

	Level 1 US Dollar (\$)	Level 2 US Dollar (\$)	Level 3 US Dollar (\$)	Total US Dollar (\$)
Vanguard U.S. Equity Index Common Contractual Fund	2,007,687,280	—	—	2,007,687,280

7. Units.

The movement of units during the year ended 31 December 2018:

	31 December 2018	31 December 2017
Balance at Beginning of Year	5,277,892	5,876,053
Units Issued During Year		
GBP Accumulation Units	1,418,874	750,049
Units Redeemed During Year		
GBP Accumulation Units	(760,508)	(1,348,210)
Balance at End of Year	5,936,257	5,277,892

8. Distributions. The Manager did not declare a dividend in respect of participating units in the Sub-Fund. Accordingly, income and gains of the Sub-Fund will be reflected in the net equity value per unit.

9. Related Party Transactions.

Manager. Vanguard Group (Ireland) Limited is the Manager of the Sub-Funds and acts as a principal in respect of all transactions of units in the Sub-Funds. For its services, the Manager receives a fixed single fee per unit class (the "Management Charge") calculated on a daily basis and paid monthly. Out of the fees received, the Manager pays for any sub-advisers, as well as the costs of administration including audit, depository, legal, registration and regulatory fees associated with the Sub-Funds. As a result, the Manager anticipates the ongoing charges figure ("OCF") of each unit class will closely track the Management Charge. In the event that the costs and expenses of any Sub-Fund exceed the OCF, the Manager will be responsible for discharging any excess out of its own assets. The Manager, in its sole discretion, may voluntarily waive all or part of its fee, and any such waiver could be discontinued at any time and without notice.

Any amounts due from or to the Manager at the end of the period are disclosed in the Statement of Assets and Liabilities. Amounts paid to the Manager in respect to fees for the period are disclosed in the Statement of Operations.

Annual Management Charge per unit class as at 31 December 2018:

	Ongoing Charges Figure
Vanguard U.S. Equity Index Common Contractual Fund	0.20%

Annual Management Charge per unit class as at 31 December 2017:

	Ongoing Charges Figure
Vanguard U.S. Equity Index Common Contractual Fund	0.20%

Directors' Fees. The aggregate emolument of the Directors paid by the Manager out of the OCF on behalf of the Sub-Fund (including expenses) for the year ended 31 December 2018 was \$306,685 (31 December 2017: \$194,162), with \$0 outstanding at 31 December 2018 (31 December 2017: \$0).

Mr James M. Norris is a Managing Director of Vanguard International, a division within The Vanguard Group, Inc.; Mr Axel Lomholt is Head of ETFs, International; Mr Sean P. Hagerty is Managing Director of Vanguard Asset Management, Limited; and Mr Michael Miller retired as a Managing Director of The Vanguard Group, Inc., in 2015. The Manager's independent directors include: Ms Tara Doyle, a partner in the legal advisory firm acting as the Manager's Secretary and serving the activities of the Manager; Mr Peter Blessing; and Mr William Slattery.

Mr Richard Wane was appointed Director on 29 March 2019. Mr Axel Lomholt resigned as Director on 23 April 2019.

Investment Manager. Vanguard Global Advisers, LLC, is the Investment Manager of the Company and is compensated by the Manager. The Investment Manager or the Manager, at their discretion, may appoint other companies from within the Vanguard Group of Companies to provide investment management and advisory services with respect to the Sub-Funds.

Intra-Fund Trading. The table below details the inter-fund trades between the Sub-Funds and multiple US mutual funds, also managed by the Investment Manager during the year ended 31 December 2018. There were no amounts outstanding between these parties as at 31 December 2018.

Sub-Fund	Bought	Sold
Vanguard U.S. Equity Index Common Contractual Fund	US\$8,769,228	US\$3,859,290

31 December 2017:

Sub-Fund	Bought	Sold
Vanguard U.S. Equity Index Common Contractual Fund	US\$6,506,661	US\$4,571,431

10. Credit Facility. The Sub-Funds participate in an annually renewable US\$3.1 billion (2017: US\$3.1 billion) committed credit facility. Each participating fund is individually liable for its borrowings under the credit facility, even in default. Borrowings may be utilised for temporary or emergency purposes, and are subject to the Sub-Fund's regulatory and contractual borrowing restrictions. Participating funds are allocated an annual commitment fee of 0.10% of the undrawn amount of the facility as well as certain administrative fees. Any fees allocated to the Sub-Funds are paid by the Manager. Interest and direct borrowings costs associated with draws on the credit facility borrowing are charged to the Sub-Funds and recorded in the Statement of Operations.

The Sub-Funds did not have any borrowings outstanding at 31 December 2018 or at any time during the year then ended (31 December 2017: Nil).

Subsequent to the report date, the credit agreement was amended to increase total commitments under the facility from USD \$3.1 billion to USD \$4.3 billion. No other term changes were significant.

11. Taxation. The Sub-Funds do not have a separate legal personality and are transparent for tax purposes. The Sub-Funds are each a common contractual fund ("CCF") within the meaning of Section 739(1) of the Taxes Consolidation Act, 1997 ("TCA"), in which the unitholders by contractual arrangement participate and share in the property of the Sub-Fund as co-owners. Therefore, the Sub-Fund is not chargeable to Irish tax on its relevant income or relevant gains ("relevant profits"). Instead, the relevant profits of the Sub-Fund are treated as arising or, as the case may be, accruing to each unitholder of the Sub-Fund in proportion to the value of the units beneficially owned by the unitholder, as if the relevant profits had arisen, or as the case may be, accrued to the unitholders in the CCF without passing through the hands of the CCF. This tax treatment is subject to each of the units of the Sub-Fund being:

- (a) a pension fund; or
- (b) beneficially owned by a person (other than an individual); or
- (c) a custodian or trustee holding units of the Fund or of a Sub-Fund for the benefit of such person(s) as referred to in (a) or (b).

No stamp duty, documentary, transfer or registration tax is payable by the Sub-Fund on the issue, transfer, redemption, repurchase or cancellation of or subscription for units in the Sub-Fund. Where any subscription for or redemption of units is satisfied by in-specie transfer of any Irish situate securities, property or other types of assets, Irish stamp duty may arise on the transfer of such assets.

12. Efficient Portfolio Management. The Sub-Funds may employ investment techniques and use financial derivative instruments (such as futures contracts, forward foreign currency contracts, options and swaps) for efficient portfolio management purposes including hedging against market price movements, and foreign currency, interest rate and liquidity risks. Any such technique or instrument must be one which (alone or in combination with one or more other techniques or instruments) is believed by the Investment Manager to be economically appropriate to the efficient portfolio management of the Sub-Fund; i.e. the use of a technique or instrument may only be undertaken for the purposes of one or more of the following:

- (a) a reduction in risk,
- (b) a reduction in costs,
- (c) an increase in capital or income returns to the Sub-Fund.

The Sub-Funds did not engage in securities lending, repurchase or reverse repurchase agreements during the year ended 31 December 2018 or year ended 31 December 2017.

13. Exchange Rates. The principal exchange rates at 31 December 2018 to one US Dollar (\$) used in the preparation of the financial statements were:

31 December 2018			31 December 2017		
Currency		Exchange Rate to USD	Currency		Exchange Rate to USD
GBP	British Pound	0.7852	GBP	British Pound	0.7392

14. Soft Commission Arrangements and Directed Brokerage. There were no soft commission arrangements by the Manager on behalf of the Sub-Funds for the year ended 31 December 2018 or 31 December 2017. There were no directed brokerage services established for the year ended 31 December 2018 or 31 December 2017.

15. Contingent Liability. There were no contingent liabilities as at 31 December 2018 or as at 31 December 2017.

16. Auditor Remuneration. Fees for statutory audit services paid by the Manager out of OCF were US\$17,247 for the year ended 31 December 2018 (inclusive of out-of-pocket expense) (31 December 2017: US\$18,118).

The Auditors provided no other services to the Sub-Fund.

17. Events During the Year. A revised prospectus was approved by the Central Bank on 3 January 2018. The revised prospectus reflected regulatory changes.

The prospectus was further amended on 15 January 2018, by way of addendum, to reflect the change of Investment Manager from The Vanguard Group, Inc., to Vanguard Global Advisers, LLC.

A revised prospectus was approved by the Central Bank on 13 April 2018. The prospectus was updated to permit the transfer of legal ownership of units where the beneficial owner remains unchanged.

A revised prospectus was approved by the Central Bank on 20 December 2018. The revised prospectus reflected regulatory changes and other minor amendments.

18. Events Since the Statement of Assets and Liabilities. Other than as disclosed in Note 9, Related Party Transactions, and Note 10, Credit Facility, there were no events subsequent to year-end requiring recognition or disclosure in the Financial Statements.

19. Approval of Financial Statements. The financial statements were approved by the Directors on 23 April 2019.

Statement of Manager's Responsibilities

The Manager is responsible for preparing the annual report and financial statements of Vanguard Common Contractual Fund ("the "Fund") in accordance with applicable law and regulations.

Irish law requires the Manager of the Fund to prepare financial statements for each financial year. The Manager has elected to prepare the financial statements in accordance with FRS 102, the Financial Reporting Standard applicable in the Republic of Ireland, comprising applicable law and the accounting standards issued by the Financial Reporting Council and published by the Institute of Chartered Accountants in Ireland.

The financial statements are required to give a true and fair view of the state of affairs of the Fund and of the profit or loss for that period.

In preparing those financial statements, the Manager:

- selects suitable accounting policies and then applies them consistently;
- makes judgements and estimates that are reasonable and prudent;
- states whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepares the financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continue in business.

The Manager is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Fund and enable it to ensure that the financial statements are prepared in accordance with the Deed of Constitution, the Investment Funds, Companies and Miscellaneous Provisions Act 2005, the European Union Regulations 2013 and the Commission Delegated (EU) No. 231/2013. It has general responsibility for taking such steps as are reasonably open to it to prevent and detect fraud and other irregularities.

The Manager is responsible for the maintenance and integrity of the corporate and financial information included on the Fund's website.

On behalf of the Board of Directors of the Manager,

Sean P. Hagerty
Tara Doyle
23 April 2019

Additional Information From the Manager (unaudited)

Remuneration Disclosure

The European Union Directive 2014/91/EU (known as the “UCITS V Directive”) came into effect on 21 March 2016. The Manager has adopted a remuneration policy with effect from 18 March 2016 in order to meet the requirements of the UCITS V Directive in a way and to the extent that it is appropriate to the Manager’s size, internal organisation and the nature, scope and complexity of its activities. The Manager’s remuneration policy applies to staff whose professional activities have a material impact on the risk profile of the Fund as well as the Manager. As at 31 December 2018, the Manager did not have any employees and the Manager’s remuneration policy applied only to members of the Manager’s management body, the board of directors. The remuneration policy, including its implementation, will be subjected to annual review in accordance with the requirements of Regulation 24B(c) and (d) of the UCITS Regulations.

The Directors of the Manager do not receive any remuneration from the Fund in respect of such services.

Certain Directors of the Manager receive compensation in respect of such services provided to the Manager. In particular, the Directors of the Manager who are not employees of the Investment Manager or an affiliate of the Investment Manager receive fixed remuneration at a level determined by Mr Axel Lomholt or Mr James Norris (both of whom are not in receipt of remuneration for their services by the Manager) but do not receive any variable remuneration. The aggregate remuneration payable to the above Directors may not exceed such amount as is approved from time to time by Zealous, Inc, the sole shareholder of the Manager. The Directors of the Manager who are employees of the Investment Manager or an affiliate of the Investment Manager will not receive any remuneration in respect of such services. The aggregate emolument paid to the Directors of the Manager in respect of the Fund for the financial year ending 31 December 2018 are set out in Note 9 hereto.

The remuneration policy was amended to take account of Remuneration Guidelines in October 2016, and in particular the requirements in relation to delegated management functions, but no other material changes have been made to the remuneration policy since its adoption.

Connected Persons Transactions

Regulation 41(1) of the Central Bank UCITS Regulations states that “a responsible person shall ensure that any transaction between a UCITS and a connected person is conducted a) at arm’s length; and b) in the best interest of the unit-holders of the UCITS”.

As required under UCITS Regulation 78(4), the Directors, as responsible persons, are satisfied that there are in place arrangements, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 41(1) are applied to all transactions with a connected party; and all transactions with connected parties that were entered into during the period to which the report relates complied with the obligations that are prescribed by Regulation 41(1).

Potential Implications of Brexit

The United Kingdom (“UK”) is due to leave the European Union (“EU”); however, uncertainty continues surrounding the exact manner and time line on which that exit may occur. Political instability and economic uncertainty may lead to speculation and subsequent market volatility, particularly for assets denominated in British pounds. Vanguard continues to encourage investors to follow its core investing principles, including maintaining a long-term discipline. The implications of Brexit extend well beyond the UK economy and financial markets, impacting multinational organizations globally. Vanguard remains committed to safeguarding our investors’ assets and their long-term interests and has devoted significant resources to developing plans to manage the impact of Brexit.

Report of the Depositary to the Unitholders

We have enquired into the conduct of the Manager in respect of Vanguard U.S. Equity Index Common Contractual Fund ("the Fund") for the year ended 31 December 2018, in our capacity as Depositary to the Fund.

This report including the opinion has been prepared for and solely for the unitholders in the Fund, in accordance with Regulation 34, (1), (3) and (4) in Part 5 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended, ("the UCITS Regulations"), and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Depositary

Our duties and responsibilities are outlined in Regulation 34, (1), (3) and (4) in Part 5 of the UCITS Regulations. One of those duties is to enquire into the conduct of the Manager in each annual accounting period and report thereon to the unitholders.

Our report shall state whether, in our opinion, the Fund has been managed in that period in accordance with the provisions of the Fund's Deed of Constitution and the UCITS Regulations. It is the overall responsibility of the Manager to comply with these provisions. If the Manager has not so complied, we as Depositary must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Depositary's Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Regulation 34, (1), (3) and (4) in Part 5 of the UCITS Regulations and to ensure that, in all material respects, the Sub-Fund has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of the Deed of Constitution and the appropriate regulations and (ii) otherwise in accordance with the Sub-Fund's constitutional documentation and the appropriate regulations.

Opinion

In our opinion, the Fund has been managed during the year, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Manager and the Depositary by the Deed of Constitution, the UCITS Regulations and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 ('the Central Bank UCITS Regulations'); and
- (ii) otherwise in accordance with the provisions of the Deed of Constitution, the UCITS Regulations and the Central Bank UCITS Regulations.

State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin D02 HD32
Ireland

23 April 2019

Independent Auditors' Report to the Unitholders of Vanguard Common Contractual Fund

Report on the audit of the financial statements

Opinion

In our opinion, Vanguard Common Contractual Fund's financial statements:

- give a true and fair view of the Common Contractual Fund's assets, liabilities and financial position as at 31 December 2018 and of its results for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

We have audited the financial statements, included within the Annual Report, which comprise:

- the Statement of Assets and Liabilities as at 31 December 2018;
- the Statement of Operations for the year then ended;
- the Statement of Changes in Equity for the year then ended;
- the Statement of Investments as at 31 December 2018; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Common Contractual Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the manager's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the manager has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Common Contractual Fund's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Common Contractual Fund's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The manager is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the manager for the financial statements

As explained more fully in the Statement of Manager's Responsibilities set out on page 20, the manager is responsible for the preparation of the financial statements in accordance with the applicable framework giving a true and fair view.

The manager is also responsible for such internal control as the manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the manager is responsible for assessing the Common Contractual Fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the manager intends to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8fa98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditors' report.

Use of this report

This report, including the opinion, has been prepared for and only for the unitholders as a body in accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Dublin

23 April 2019

Glossary of Investment Terms

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

Dealing Day. Any day that a Sub-Fund accepts subscription, redemption and exchange orders, and/or any such other day or days as may be determined by the Manager and notified to Unitholders in advance.

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 capitalisation (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 capitalisations above the median, and the rest are below it.

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

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.

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. The turnover rate excludes in-kind transactions, which have minimal impact on costs.

Yield. The current annualised rate of dividends paid on a share of stock, divided by its current share price. For a fund, the average weighted yield for stocks it holds.

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Board of Directors

Peter Blessing¹ (Irish)
Axel Lomholt² (Danish)
Michael S. Miller (American)
James M. Norris (American)
William Slattery¹ (Irish)
Sean P. Hagerty (American)
Tara Doyle¹ (Irish)
Richard Wane³ (British)

Manager

Vanguard Group (Ireland) Limited
70 Sir John Rogerson's Quay
Dublin 2
Ireland

Depositary

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78 Sir John Rogerson's Quay
Dublin D02 HD32
Ireland

Distributor

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Investment Manager to 14 January 2018

The Vanguard Group, Inc.
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Valley Forge, PA 19482
USA

Investment Manager From 15 January 2018

Vanguard Global Advisers, LLC
100 Vanguard Boulevard
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USA

Administrator

State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin D02 HD32
Ireland

Legal Advisers as to Matters of Irish Law

Matheson
70 Sir John Rogerson's Quay
Dublin 2
Ireland

Independent Auditors

PricewaterhouseCoopers
Chartered Accountants & Registered Auditors
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

Secretary for the Fund and the Manager

Matsack Trust Limited
70 Sir John Rogerson's Quay
Dublin 2
Ireland

¹ Served in an independent non-executive capacity during the year.

² Resigned as Director on 23 April 2019.

³ Appointed as Director on 29 March 2019.



c/o State Street Custodial Services
(Ireland) Limited
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This report is intended for the fund's unitholders. It may not be distributed to prospective investors unless it is preceded or accompanied by the current fund prospectus.

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

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