

Target Retirement 2040 Fund

Benchmark

Morningstar Lifetime Mod 2040 TR USD

Investment Information

Investment Objective & Strategy

Target Retirement 2040 Trust uses an asset allocation strategy designed for investors planning to retire between 2038 and 2042. The trust seeks to provide growth of capital and current income consistent with its current target allocation by investing in a gradually more conservative mix of the following funds: Total Stock Market Index Fund, Total Bond Market II Index Fund, Total International Bond Index Fund, and Total International Stock Index Fund.

Fees and Expenses as of 04-01-21

Expense Ratio	0.05 %
Total Annual Operating Exp per \$1000	\$ 0.45
Maximum Sales Charge	—
12b-1 Fee	—
Redemption Fee/Term	—

Portfolio Manager(s)

William A. Coleman, CFA. B.S., King's College. M.S., Saint Joseph's University.
Walter Nejman. B.A., Arcadia University. M.B.A., Villanova University.

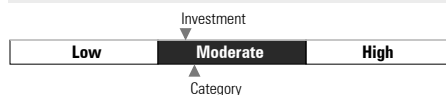
Operations and Management

Fund Inception Date	06-30-15
Management Company	Vanguard
Telephone	800-523-1036
Web Site	www.vanguard.com
Issuer	Vanguard Group Inc

Category Description: Target-Date 2040

Target-date portfolios provide diversified exposure to stocks, bonds, and cash for those investors who have a specific date in mind (in this case, the years 2036-2040) for retirement. These portfolios aim to provide investors with an optimal level of return and risk, based solely on the target date. Management adjusts the allocation among asset classes to more-conservative mixes as the target date approaches, following a preset glide path. A target-date portfolio is part of a series of funds offering multiple retirement dates to investors.

Volatility And Risk



Best 3 Month Return

17.33%

(Apr '20 - Jun '20)

Worst 3 Month Return

-18.19%

(Jan '20 - Mar '20)

Overall Morningstar Rating™

★★★★

Out of 201 Target-Date 2040 investments. An investment's overall Morningstar Rating, based on its risk-adjusted return, is a weighted average of its applicable 3-, 5-, and 10-year Ratings. See disclosure page for details.

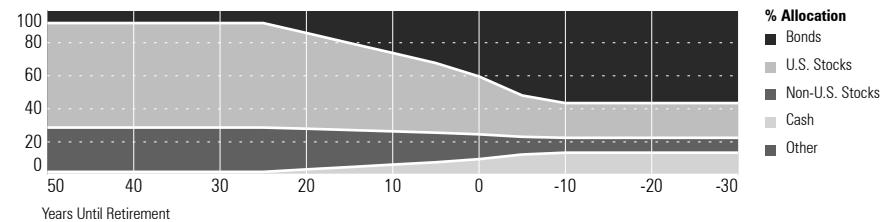
Morningstar Return

Average

Morningstar Risk

Average

Allocation of Assets



Target-date investment options typically invest in other investments and are designed for investors who plan to retire during the target date year. The investment's target date is the approximate date of when investors expect to begin withdrawing their money. A Target-date investment's objective/strategy typically becomes more conservative over time primarily by reducing its allocation to equity investments and increasing its allocations in fixed-income investments. An investor's principal value in a target-date investment option is not guaranteed at anytime, including at the investment's target date.

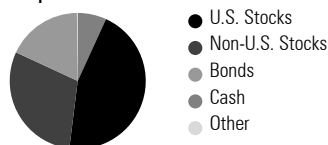
Performance as of 03-31-22

YTD	1 Year	3 Year	5 Year	10 Year	Since Inception	
-5.65	4.26	11.81	10.39	9.97	9.26	Investment Return %
-5.60	4.46	11.13	9.98	9.43	8.92	Benchmark Return %
-6.04	4.00	11.45	9.97	9.27	8.61	Category Average %
—	—	★★★	★★★★	☆☆☆☆	—	Morningstar Rating™
—	—	201	168	93	—	# of Funds in Category

The performance data quoted reflects past performance and is calculated according to Morningstar's methodology. For new share classes of an investment, the performance reflected for periods prior to the inception date of such class may have been calculated using the historical returns of the original share class, and in such cases is displayed in italics. The historical returns of the original share class are adjusted to reflect differences in fees when the newer share class has higher fees than the oldest share class but are not adjusted when the newer class has lower fees. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower than the performance data quoted. For the most recent month end performance information, please call 1-800-922-9945, or visit rps.troweprice.com.

Portfolio Analysis

Composition as of 03-31-22

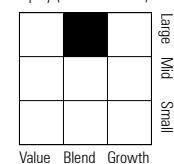


% Assets

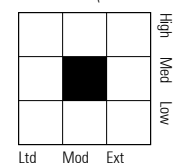
U.S. Stocks	45.2
Non-U.S. Stocks	29.9
Bonds	17.9
Cash	6.8
Other	0.2

Morningstar Style Box™

Equity (as of 03-31-22)



Fixed Income (as of 03-31-22)



Top 5 Holdings as of 03-31-22

	% Assets
Vanguard Total Stock Mkt Idx Instl Pls	47.59
Vanguard Instl Ttl Intl Stk Mkt Idx Trll	31.51
Vanguard Total Bond Market II Idx I	13.28
Vanguard Total Intl Bd II Idx Instl	5.82

Total Number of Holdings	6
Turnover Ratio %	7.93
Total Assets (\$mil)	23,011.18

Morningstar Equity Super Sectors as of 03-31-22

	% Fund
Cyclical	35.78
Sensitive	42.90
Defensive	21.33

Principal Risks

For more information on the risks presented, please refer to <https://www2.troweprice.com/rms/rps/Marketing/Assets/OAAU130-RISK.pdf>

Credit and Counterparty, Inflation-Protected Securities, Prepayment (Call), Country or Region, Income, Index Correlation/Tracking Error, Interest Rate, Market/Market Volatility, Underlying Fund/Fund of Funds, Passive Management, Portfolio Diversification, Target Date