

As a shareholder of the portfolio, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a portfolio's gross income, directly reduce the investment return of the portfolio.

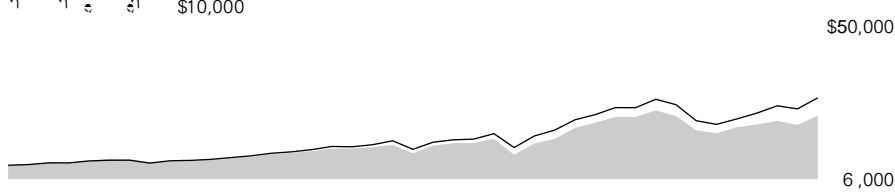
A portfolio's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your portfolio and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The accompanying table illustrates your portfolio's costs in two ways:

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

Cumulative Performance: December 31, 2013, Through December 31, 2023



Portfolio Allocation

As of December 31, 2023

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The table reflects the portfolio's investments, except for short-term investments and derivatives. Sector categories are based on the Industry Classification Benchmark (ICB) or the "Other" category (if applicable), which includes securities that have not been provided an ICB classification in the effective reporting period.

The portfolio may invest in derivatives (such as futures and swap contracts) for various reasons, including, but not limited to, attempting to remain fully invested and tracking its target index as closely as possible.

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Derivative Financial Instruments Outstanding as of Period End				
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Statement of Assets and Liabilities

As of December 31, 2023

(\$000, except for the number of shares)

Assets	
Investments	1,464,707
Accounts receivable	6,077
Prepaid expenses	7
Other assets	144
Accounts payable	470
Accrued expenses	46
Other liabilities	7
Total Assets	2,557,940
Liabilities	
Accounts payable	17
Accrued expenses	1,777
Other liabilities	611
Accounts receivable	18
Other assets	6
Total Liabilities	7,419
Net Assets	2,550,521

1 Includes \$1,255,000 of securities.

At December 31, 2023, net assets consisted of:

Investments	1,064,066
Accounts receivable	644,066
Net Assets	2,550,521
Net Assets	
Applicable to 106,575,701 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	2,550,521
Net Asset Value Per Share	\$23.93

Statement of Operations

December 31, 2011
(\$000)

Investment Income	
Income	
Dividend	8,774
Interest	00
Capital gain distributions	6
Total	8,780
Expenses	
Management fees	47
Administrative fees	6
Investor relations	10
Other	4
Depreciation	1
Other	7
Total	75
Net Investment Income	8,705
Realized Net Gain (Loss)	
Interest	0,014
Capital gain	1,081
Realized Net Gain (Loss)	31,095
Change in Unrealized Appreciation (Depreciation)	
Interest	84,868
Capital gain	8
Change in Unrealized Appreciation (Depreciation)	284,954
Net Increase (Decrease) in Net Assets Resulting from Operations	351,446

1 Dividends are net of foreign withholding taxes of \$15,000.

2 Interest income, realized gain (loss), capital gain distributions received, and change in unrealized appreciation (depreciation) from an affiliated company of the portfolio were \$185,000, (\$2,000), \$5,000, and (\$1,000), respectively. Purchases and sales are temporary cash investment purposes.

Statement of Changes in Net Assets

	Year Ended December 31,	
	2023 (\$000)	2022 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	35,397	32,440
Realized Net Gain (Loss)	31,095	41,605
Change in Unrealized Appreciation (Depreciation)	284,954	(592,924)
Net Increase (Decrease) in Net Assets Resulting from Operations	351,446	(518,879)
Distributions		
Total Distributions	(73,871)	(277,011)
Capital Share Transactions		
Issued	312,862	270,019
Issued in Lieu of Cash Distributions	73,871	277,011
Redeemed	(345,053)	(300,821)
Net Increase (Decrease) from Capital Share Transactions	41,680	246,209
Total Increase (Decrease)	319,255	(549,681)
Net Assets		
Beginning of Period	2,231,266	2,780,947
End of Period	2,550,521	2,231,266

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C. Various inputs may be used to determine the value of the portfolio's investments and derivatives. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1, Quoted prices in active markets for identical securities.

Level 2, Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3, Significant unobservable inputs (including the portfolio's own assumptions used to determine the fair value of investments). Any investments and derivatives valued with significant unobservable inputs are noted on the Schedule of Investments.

At December 31, 2023, 100% of the market value of the portfolio's investments and derivatives was determined based on Level 1 inputs.

D. Permanent differences between book-basis and tax-basis components of net assets are reclassified among capital accounts in the financial statements to reflect their tax character. These reclassifications have no effect on net assets or net asset value per share. As of period end, permanent differences primarily attributable to the accounting for applicable passive foreign investment companies were reclassified between the individual components of total distributable earnings (loss).

Temporary differences between book-basis and tax-basis components of total distributable earnings (loss) arise when certain items of income, gain, or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. The differences are primarily related to the deferral of losses from wash sales; the recognition of unrealized gains or losses from certain derivative contracts; and the recognition of unrealized gains from passive foreign investment companies. As of period end, the tax-basis components of total distributable earnings (loss) are detailed in the table as follows:

	Amount (\$000)
Undistributed Ordinary Income	36,876
Undistributed Long-Term Gains	27,964
Net Unrealized Gains (Losses)	579,256
Capital Loss Carryforwards	"
Qualified Late-Year Losses	"
Other Temporary Differences	"
Total	644,096

The following table shows the number of employees in the United States in 1977-78, 1978-79, and 1979-80. The number of employees in 1977-78 was 140,000, in 1978-79 it was 144,000, and in 1979-80 it was 146,400. The number of employees in 1977-78 was \$168,000, in 1978-79 it was \$174,000, and in 1979-80 it was \$178,000.

F. The number of employees in the United States in 1977-78, 1978-79, and 1979-80 is shown in the following table.

	Number of employees in the United States, 1977-78, 1978-79, and 1979-80	
	1977-78	1978-79
	(000)	(000)
Total	140,000	144,000
Government	11,614	11,188
Non-government	(128,386)	(132,812)
Total	140,000	144,000

G. The number of employees in the United States in 1977-78, 1978-79, and 1979-80 is shown in the following table.

Tax information (unaudited)

As at 31 December 2018, the Group's tax expense is \$1,800 million, which is 80% of the Group's taxable income of \$2,250 million. The tax expense is based on the tax rates applicable in the countries where the Group operates.

The CRSP US Mid Cap Index (the Index) is a product of Center for Research in Security Prices, LLC (CRSP), an affiliate of

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A majority of Vanguard's board members are independent, meaning that they have no affiliation with Vanguard or the funds they oversee, apart from the sizable personal investments they have made as private individuals. The independent board members have distinguished backgrounds in business, academia, and public service. Each of the trustees and executive officers oversees 208 Vanguard funds.

Information for each trustee and executive officer of the fund appears below. That information, as well as the Vanguard fund count, is as of the date on the cover of this fund report. The mailing address of the trustees and officers is P.O. Box 876, Valley Forge, PA 19482. More information about the trustees is in the Statement of

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