Vanguard®

Semiannual Report | April 30, 2023

Vanguard International Value Fund

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About Your Fund's Expenses

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

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

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

- **Based on actual fund return.** This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the fund's actual return, and the third column shows the dollar amount that would have been paid by an investor who started with $1,000 in the fund. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number given for your fund under the heading "Expenses Paid During Period."

- **Based on hypothetical 5% yearly return.** This section is intended to help you compare your fund's costs with those of other mutual funds. It assumes that the fund had a yearly return of 5% before expenses, but that the expense ratio is unchanged. In this case—because the return used is not the fund's actual return—the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5% return. You can assess your fund's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that the expenses shown in the table are meant to highlight and help you compare *ongoing* costs only and do not reflect transaction costs incurred by the fund for buying and selling securities. Further, the expenses do not include any purchase, redemption, or account service fees described in the fund prospectus. If such fees were applied to your account, your costs would be higher. Your fund does not carry a "sales load."

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

You can find more information about the fund's expenses, including annual expense ratios, in the Financial Statements section of this report. For additional information on operating expenses and other shareholder costs, please refer to your fund's current prospectus.

Six Months Ended April 30, 2023

International Value Fund	Beginning Account Value 10/31/2022	Ending Account Value 4/30/2023	Expenses Paid During Period
Based on Actual Fund Return	$1,000.00	$1,227.30	$2.15
Based on Hypothetical 5% Yearly Return	1,000.00	1,022.86	1.96

The calculations are based on expenses incurred in the most recent six-month period. The fund's annualized six-month expense ratio for that period is 0.39%. The dollar amounts shown as "Expenses Paid" are equal to the annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent six-month period, then divided by the number of days in the most recent 12-month period (181/365).

International Value Fund

Fund Allocation

As of April 30, 2023

United Kingdom	14.5%
Japan	11.5
France	8.6
China	8.6
Germany	7.8
Switzerland	7.4
Hong Kong	6.2
Netherlands	4.7
United States	3.5
India	3.3
Brazil	2.9
Canada	2.5
South Korea	2.5
Singapore	2.5
Ireland	2.3
Indonesia	2.0
Finland	1.5
Taiwan	1.5
Denmark	1.1
Other	5.1

The table reflects the fund's investments, except for short-term investments and derivatives.

Financial Statements (unaudited)

Schedule of Investments

As of April 30, 2023

The fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. The fund's Form N-PORT reports are available on the SEC's website at www.sec.gov.

	Shares	Market Value• ($000)
Common Stocks (94.8%)		
Australia (0.5%)		
National Australia Bank Ltd.	1,805,110	34,750
QBE Insurance Group Ltd.	1,765,216	18,051
Adbri Ltd.	13,390,194	14,138
		66,939
Brazil (2.8%)		
[1] Banco Bradesco SA ADR	28,827,441	80,717
Ambev SA ADR	28,812,100	80,674
Petroleo Brasileiro SA Preference Shares	14,889,100	70,747
Gerdau SA Preference Shares	11,975,460	60,456
Itau Unibanco Holding SA Preference Shares	10,767,700	55,956
Petroleo Brasileiro SA ADR	3,298,068	35,025
		383,575
Canada (2.4%)		
Suncor Energy Inc.	3,256,143	101,949
Nutrien Ltd.	921,608	63,935
Saputo Inc.	1,844,149	47,749
Stella-Jones Inc.	886,900	34,708
Bank of Nova Scotia	647,507	32,322
Alimentation Couche-Tard Inc.	581,100	29,002
North West Co. Inc.	721,411	21,160
		330,825
China (8.1%)		
* Alibaba Group Holding Ltd.	24,296,700	256,904
Tencent Holdings Ltd.	3,408,400	151,388
* Baidu Inc. ADR	1,084,345	130,783
Ping An Insurance Group Co. of China Ltd. Class H	12,665,500	92,401
ENN Energy Holdings Ltd.	6,020,300	82,548
Li Ning Co. Ltd.	10,047,000	71,852
Sungrow Power Supply Co. Ltd. Class A	3,593,953	58,702
Shandong Weigao Group Medical Polymer Co. Ltd. Class H	27,180,000	46,380
* Alibaba Group Holding Ltd. ADR	505,386	42,801
China Longyuan Power Group Corp. Ltd. Class H	39,737,000	41,703
Wuxi Lead Intelligent Equipment Co. Ltd. Class A	5,994,938	33,183
Autohome Inc. ADR	1,112,003	32,971
Hengan International Group Co. Ltd.	6,509,000	29,072
* Trip.com Group Ltd. ADR	603,258	21,422
* Weibo Corp. ADR	1,156,924	20,258
		1,112,368
Denmark (1.0%)		
Carlsberg A/S Class B	498,698	82,533
* Vestas Wind Systems A/S	1,969,298	54,492
		137,025
Egypt (0.2%)		
Commercial International Bank Egypt SAE (Registered) GDR	24,883,498	30,155
Finland (1.5%)		
Nokia OYJ	20,115,499	85,112
Sampo OYJ Class A	1,571,237	79,685
Nokian Renkaat OYJ	3,679,749	35,849
		200,646
France (8.2%)		
Airbus SE	1,443,615	202,156
TotalEnergies SE	2,560,102	163,590
Air Liquide SA	861,015	154,888
Engie SA	8,409,958	134,595
Pernod Ricard SA	416,762	96,251
Thales SA	567,781	86,645
Bureau Veritas SA	2,962,936	85,437
Legrand SA	842,306	79,728

		Shares	Market Value• ($000)
*	Accor SA	1,231,616	43,694
	Bouygues SA	952,603	34,884
	Teleperformance	158,348	31,647
	Safran SA	41,270	6,418
	ArcelorMittal SA	9,943	283
			1,120,216
Germany (7.3%)			
*,2	Covestro AG	2,414,776	105,937
1	Fresenius Medical Care AG & Co. KGaA	1,804,580	87,565
	Bayerische Motoren Werke AG	769,720	86,274
	Henkel AG & Co. KGaA Preference Shares	965,047	78,023
*	Merck KGaA	388,917	69,759
2	Siemens Healthineers AG	1,029,148	64,142
	BASF SE	1,236,750	63,970
	Henkel AG & Co. KGaA	850,710	62,914
	MTU Aero Engines AG	238,991	62,752
	Jungheinrich AG Preference Shares	1,517,112	58,803
	Continental AG	830,599	58,281
	SAP SE	416,800	56,400
	Infineon Technologies AG	1,365,548	49,729
	FUCHS PETROLUB SE Preference Shares	1,217,817	48,112
	Fresenius SE & Co. KGaA	1,196,842	34,677
	Porsche Automobil Holding SE Preference Shares	387,480	21,581
			1,008,919
Hong Kong (5.8%)			
	AIA Group Ltd.	20,315,000	221,171
*	Sands China Ltd.	44,212,800	158,345
*	Melco Resorts & Entertainment Ltd. ADR	9,936,595	135,535
*	Galaxy Entertainment Group Ltd.	7,365,000	52,419
	Jardine Matheson Holdings Ltd.	1,058,200	51,155
	Xinyi Glass Holdings Ltd.	18,622,000	34,070
	Sun Hung Kai Properties Ltd.	2,353,500	32,769
2	ESR Group Ltd.	18,994,000	29,690
	Yue Yuen Industrial Holdings Ltd.	15,119,000	22,753
	Hongkong Land Holdings Ltd.	4,853,100	21,598
2	WH Group Ltd.	38,320,243	21,334
	CK Asset Holdings Ltd.	3,309,500	19,570
			800,409
India (3.1%)			
	ICICI Bank Ltd. ADR	4,855,982	110,474
	Housing Development Finance Corp. Ltd.	2,826,390	96,300
	Adani Ports & Special Economic Zone Ltd.	9,657,767	80,736
	Zee Entertainment Enterprises Ltd.	26,516,183	63,997
	UPL Ltd.	5,264,954	47,783
	GAIL India Ltd.	25,743,969	33,839
			433,129
Indonesia (1.9%)			
	Astra International Tbk. PT	212,092,100	97,831
	Bank Mandiri Persero Tbk. PT	219,186,600	77,483
	Telkom Indonesia Persero Tbk. PT ADR	1,567,073	45,132
	Telkom Indonesia Persero Tbk. PT	72,464,900	20,989
	Selamat Sempurna Tbk. PT	164,317,700	17,424
			258,859
Ireland (2.2%)			
*	Ryanair Holdings plc ADR	1,645,813	157,323
*	ICON plc	379,267	73,081
	CRH plc	1,444,361	69,696
			300,100
Israel (0.1%)			
*	Check Point Software Technologies Ltd.	94,500	12,036
Italy (0.5%)			
	Brembo SpA	4,611,463	67,761
Japan (10.9%)			
	Mitsubishi Electric Corp.	8,708,800	107,979
	Nomura Research Institute Ltd.	3,252,200	81,824
	Nidec Corp.	1,597,400	79,043
	Daikin Industries Ltd.	431,600	78,392
	Nitto Denko Corp.	1,141,400	73,790
	Denso Corp.	1,143,900	69,050
	Disco Corp.	574,600	65,421
	Nihon Kohden Corp.	2,341,300	64,781
	Daiwa Securities Group Inc.	13,582,400	63,086
	Toyota Motor Corp.	4,531,400	62,216
	Hoya Corp.	561,100	58,834
	ITOCHU Corp.	1,694,900	56,228
	Olympus Corp.	2,885,400	50,513
*	Renesas Electronics Corp.	3,300,300	43,011
	Koito Manufacturing Co. Ltd.	2,197,100	42,500
	Bandai Namco Holdings Inc.	1,853,700	42,108
	Kansai Electric Power Co. Inc.	3,780,000	40,804
	Ain Holdings Inc.	978,500	40,690
	Kubota Corp.	2,542,300	38,523

	Shares	Market Value• ($000)
Suzuki Motor Corp.	1,063,800	37,093
Shimano Inc.	227,500	35,183
Tokyo Electron Ltd.	294,600	33,733
Subaru Corp.	1,876,700	30,631
Murata Manufacturing Co. Ltd.	538,700	30,564
Komatsu Ltd.	1,217,700	30,284
Seria Co. Ltd.	1,604,500	28,523
Nitori Holdings Co. Ltd.	220,100	28,027
Nomura Holdings Inc.	6,973,200	24,998
Omron Corp.	418,210	24,532
Daito Trust Construction Co. Ltd.	160,200	15,183
FANUC Corp.	414,500	13,998
		1,491,542
Mexico (0.7%)		
Grupo Financiero Banorte SAB de CV	11,158,700	96,496
Netherlands (4.4%)		
Universal Music Group NV	3,647,420	79,687
* Prosus NV	979,743	73,318
Wolters Kluwer NV	478,838	63,443
Akzo Nobel NV	749,534	62,180
Coca-Cola Europacific Partners plc	937,292	59,941
Aegon NV	12,779,402	58,309
ASM International NV	123,687	44,904
Koninklijke Vopak NV	1,109,090	42,377
IMCD NV	278,274	41,891
SBM Offshore NV	2,514,230	35,538
* AerCap Holdings NV	530,331	29,889
1,2 ABN AMRO Bank NV	979,952	15,706
		607,183
Norway (0.3%)		
Bakkafrost P/F	563,950	41,116
Panama (0.6%)		
Copa Holdings SA Class A	960,553	86,757
Philippines (0.2%)		
Puregold Price Club Inc.	43,303,300	25,528
Singapore (2.3%)		
DBS Group Holdings Ltd.	3,424,300	84,614
United Overseas Bank Ltd.	3,637,800	77,260
Venture Corp. Ltd.	4,408,600	56,323
Sembcorp Industries Ltd.	16,821,100	54,124
Singapore Telecommunications Ltd.	24,198,000	46,372
		318,693
South Africa (0.2%)		
Mr Price Group Ltd.	3,450,376	28,387
South Korea (2.4%)		
Samsung Electronics Co. Ltd.	2,350,492	115,654
2 Samsung Electronics Co. Ltd. GDR	91,270	113,065
SK Hynix Inc.	1,261,059	84,848
* SK Square Co. Ltd.	309,162	9,853
		323,420
Spain (0.7%)		
Industria de Diseno Textil SA	1,442,044	49,573
* Amadeus IT Group SA	632,608	44,463
		94,036
Sweden (0.4%)		
Assa Abloy AB Class B	2,366,316	56,380
Switzerland (7.0%)		
* Holcim AG	3,225,590	213,123
Roche Holding AG	517,506	162,052
Novartis AG (Registered)	1,416,867	144,937
Cie Financiere Richemont SA (Registered) Class A	791,223	130,790
ABB Ltd. (Registered)	2,373,145	85,608
* DSM-Firmenich AG	561,313	73,454
Adecco Group AG (Registered)	1,927,278	66,292
Swatch Group AG	129,390	44,389
UBS Group AG (Registered)	1,776,239	36,151
		956,796
Taiwan (1.4%)		
Taiwan Semiconductor Manufacturing Co. Ltd.	7,612,000	124,651
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	706,735	59,578
King Slide Works Co. Ltd.	1,116,000	15,031
		199,260
United Kingdom (13.8%)		
BP plc	35,134,891	235,720
RELX plc	5,282,048	175,991
Compass Group plc	4,774,264	125,950
Shell plc	4,072,312	125,135
HSBC Holdings plc	16,867,261	121,568
Unilever plc	2,049,036	114,095
Berkeley Group Holdings plc	1,961,528	109,771
Smiths Group plc	4,258,600	90,047
HSBC Holdings plc (XHKG)	12,406,800	89,001
Anglo American plc	2,811,541	86,635
Smith & Nephew plc	5,239,233	86,289
IMI plc	4,226,990	84,810
Taylor Wimpey plc	36,946,877	59,627
Weir Group plc	2,454,760	56,811
Travis Perkins plc	4,509,463	54,423

	Shares	Market Value• ($000)
Prudential plc	3,449,386	52,779
Victrex plc	2,370,200	50,085
Spectris plc	985,380	46,665
RS Group plc	3,183,555	36,936
Renishaw plc	650,357	29,500
Whitbread plc	624,929	25,580
Lloyds Banking Group plc	29,916,882	18,175
* easyJet plc	2,644,536	16,591
Direct Line Insurance Group plc	220,462	477
		1,892,661
United States (3.3%)		
Aon plc Class A	416,187	135,336
RenaissanceRe Holdings Ltd.	383,167	82,538
Linde plc	194,733	71,550
Accenture plc Class A	237,551	66,583
NXP Semiconductors NV	392,463	64,262
* Capri Holdings Ltd.	750,819	31,159
		451,428
Vietnam (0.6%)		
Vietnam Dairy Products JSC	16,906,900	50,541
Phu Nhuan Jewelry JSC	9,392,300	30,930
		81,471
Total Common Stocks (Cost $11,675,071)		13,014,116
Temporary Cash Investments (4.7%)		
Money Market Fund (4.7%)		
3,4 Vanguard Market Liquidity Fund, 4.853% (Cost $646,654)	6,468,378	646,773
Total Investments (99.5%) (Cost $12,321,725)		13,660,889
Other Assets and Liabilities—Net (0.5%)		72,132
Net Assets (100%)		13,733,021

Cost is in $000.

- See Note A in Notes to Financial Statements.

* Non-income-producing security.

1 Includes partial security positions on loan to broker-dealers. The total value of securities on loan is $61,851,000.

2 Security exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be sold in transactions exempt from registration, normally to qualified institutional buyers. At April 30, 2023, the aggregate value was $349,874,000, representing 2.5% of net assets.

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

4 Collateral of $65,946,000 was received for securities on loan.

ADR—American Depositary Receipt.

GDR—Global Depositary Receipt.

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

	Expiration	Number of Long (Short) Contracts	Notional Amount ($000)	Value and Unrealized Appreciation (Depreciation) ($000)
Long Futures Contracts				
MSCI EAFE Index	June 2023	1,976	212,380	9,026
MSCI Emerging Market Index	June 2023	1,733	85,281	707
				9,733

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

Statement of Assets and Liabilities

As of April 30, 2023

($000s, except shares, footnotes, and per-share amounts)	Amount
Assets	
Investments in Securities, at Value[1]	
Unaffiliated Issuers (Cost $11,675,071)	13,014,116
Affiliated Issuers (Cost $646,654)	646,773
Total Investments in Securities	13,660,889
Investment in Vanguard	482
Foreign Currency, at Value (Cost $14,808)	14,859
Cash Collateral Pledged—Futures Contracts	8,632
Receivables for Investment Securities Sold	60,153
Receivables for Accrued Income	99,238
Receivables for Capital Shares Issued	10,661
Variation Margin Receivable—Futures Contracts	211
Total Assets	**13,855,125**
Liabilities	
Due to Custodian	931
Payables for Investment Securities Purchased	35,616
Collateral for Securities on Loan	65,946
Payables for Capital Shares Redeemed	5,834
Payables to Investment Advisor	5,704
Payables to Vanguard	1,705
Deferred Foreign Capital Gains Taxes	6,368
Total Liabilities	**122,104**
Net Assets	**13,733,021**

1 Includes $61,851,000 of securities on loan.

At April 30, 2023, net assets consisted of:

Paid-in Capital	12,480,733
Total Distributable Earnings (Loss)	1,252,288
Net Assets	**13,733,021**

Net Assets	
Applicable to 348,900,363 outstanding $.001 par value shares of beneficial interest (unlimited authorization)	**13,733,021**
Net Asset Value Per Share	**$39.36**

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

Statement of Operations

	Six Months Ended April 30, 2023
	($000)
Investment Income	
Income	
Dividends[1]	204,055
Interest[2]	10,811
Securities Lending—Net	472
Total Income	215,338
Expenses	
Investment Advisory Fees—Note B	
Basic Fee	10,787
Performance Adjustment	410
The Vanguard Group—Note C	
Management and Administrative	12,869
Marketing and Distribution	402
Custodian Fees	344
Shareholders' Reports	102
Trustees' Fees and Expenses	3
Other Expenses	782
Total Expenses	25,699
Net Investment Income	**189,639**
Realized Net Gain (Loss)	
Investment Securities Sold[2,3]	60,268
Futures Contracts	20,188
Foreign Currencies	1,390
Realized Net Gain (Loss)	**81,846**
Change in Unrealized Appreciation (Depreciation)	
Investment Securities[2,4]	2,307,538
Futures Contracts	26,352
Foreign Currencies	1,036
Change in Unrealized Appreciation (Depreciation)	**2,334,926**
Net Increase (Decrease) in Net Assets Resulting from Operations	**2,606,411**

1 Dividends are net of foreign withholding taxes of $16,953,000.

2 Interest income, realized net gain (loss), capital gain distributions received, and change in unrealized appreciation (depreciation) from an affiliated company of the fund were $10,611,000, $62,000, $2,000, and ($16,000), respectively. Purchases and sales are for temporary cash investment purposes.

3 Realized Gain (Loss) is net of foreign capital gains taxes of $5,729,000.

4 The change in unrealized appreciation (depreciation) is net of the change in deferred foreign capital gains taxes of ($7,149,000).

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

Statement of Changes in Net Assets

	Six Months Ended April 30, 2023	Year Ended October 31, 2022
	($000)	($000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	189,639	365,829
Realized Net Gain (Loss)	81,846	(314,479)
Change in Unrealized Appreciation (Depreciation)	2,334,926	(3,259,520)
Net Increase (Decrease) in Net Assets Resulting from Operations	2,606,411	(3,208,170)
Distributions		
Total Distributions	(341,585)	(633,591)
Capital Share Transactions		
Issued	1,074,006	2,352,101
Issued in Lieu of Cash Distributions	304,194	576,930
Redeemed	(1,642,536)	(2,573,910)
Net Increase (Decrease) from Capital Share Transactions	(264,336)	355,121
Total Increase (Decrease)	2,000,490	(3,486,640)
Net Assets		
Beginning of Period	**11,732,531**	**15,219,171**
End of Period	**13,733,021**	**11,732,531**

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

Financial Highlights

For a Share Outstanding Throughout Each Period	Six Months Ended April 30, 2023	Year Ended October 31, 2022	2021	2020	2019	2018
Net Asset Value, Beginning of Period	**$32.96**	**$43.76**	**$32.48**	**$36.63**	**$35.86**	**$39.26**
Investment Operations						
Net Investment Income[1]	.540	1.019	1.091	.684	1.104	.950
Net Realized and Unrealized Gain (Loss) on Investments	6.843	(10.011)	10.824	(3.723)	1.669	(3.607)
Total from Investment Operations	7.383	(8.992)	11.915	(3.039)	2.773	(2.657)
Distributions						
Dividends from Net Investment Income	(.983)	(1.087)	(.635)	(1.111)	(.943)	(.743)
Distributions from Realized Capital Gains	—	(.721)	—	—	(1.060)	—
Total Distributions	(.983)	(1.808)	(.635)	(1.111)	(2.003)	(.743)
Net Asset Value, End of Period	**$39.36**	**$32.96**	**$43.76**	**$32.48**	**$36.63**	**$35.86**
Total Return[2]	**22.73%**	**-21.28%**	**36.91%**	**-8.69%**	**8.48%**	**-6.95%**
Ratios/Supplemental Data						
Net Assets, End of Period (Millions)	$13,733	$11,733	$15,219	$9,408	$10,360	$9,524
Ratio of Total Expenses to Average Net Assets[3]	0.39%	0.38%	0.36%	0.35%	0.37%	0.38%
Ratio of Net Investment Income to Average Net Assets	2.90%	2.68%	2.56%	2.05%	3.15%	2.41%
Portfolio Turnover Rate	13%	37%	33%	72%	38%	28%

The expense ratio and net investment income ratio for the current period have been annualized.

1 Calculated based on average shares outstanding.

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

3 Includes performance-based investment advisory fee increases (decreases) of 0.01%, 0.00%, (0.01%), (0.02%), (0.01%), and (0.01%).

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

Notes to Financial Statements

Vanguard International Value Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund.

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

1. Security Valuation: Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Equity securities are valued at the latest quoted sales prices or official closing prices taken from the primary market in which each security trades; such securities not traded on the valuation date are valued at the mean of the latest quoted bid and asked prices. Securities for which market quotations are not readily available, or whose values have been affected by events occurring before the fund's pricing time but after the close of the securities' primary markets, are valued by methods deemed by the valuation designee to represent fair value and subject to oversight by the board of trustees. These procedures include obtaining quotations from an independent pricing service, monitoring news to identify significant market- or security-specific events, and evaluating changes in the values of foreign market proxies (for example, ADRs, futures contracts, or exchange-traded funds), between the time the foreign markets close and the fund's pricing time. When fair-value pricing is employed, the prices of securities used by a fund to calculate its net asset value may differ from quoted or published prices for the same securities. Investments in Vanguard Market Liquidity Fund are valued at that fund's net asset value.

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

3. Futures Contracts: The fund uses index futures contracts to a limited extent, with the objective of maintaining full exposure to the stock market while maintaining liquidity. The fund may purchase or sell futures contracts to achieve a desired level of investment, whether to accommodate portfolio turnover or cash flows from capital share transactions. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of stocks held by the fund and the prices of futures contracts, and the possibility of an illiquid market. Counterparty risk involving futures is mitigated because a regulated clearinghouse is the counterparty instead of the clearing broker. To further mitigate counterparty risk, the fund trades futures contracts on an exchange, monitors the financial strength of its clearing brokers and clearinghouse, and has entered into clearing agreements with its clearing brokers. The clearinghouse imposes initial margin requirements to secure the fund's performance and requires daily settlement of variation margin representing changes in the market value of each contract. Any securities pledged as initial margin for open contracts are noted in the Schedule of Investments.

Futures contracts are valued at their quoted daily settlement prices. The notional amounts of the contracts are not recorded in the Statement of Assets and Liabilities. Fluctuations in the value of the contracts are recorded in the Statement of Assets and Liabilities as an asset (liability) and in

the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized gains (losses) on futures contracts.

During the six months ended April 30, 2023, the fund's average investments in long and short futures contracts represented 2% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

4. Federal Income Taxes: The fund intends to continue to qualify as a regulated investment company and distribute virtually all of its taxable income. The fund's tax returns are open to examination by the relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return. Management has analyzed the fund's tax positions taken for all open federal and state income tax years, and has concluded that no provision for income tax is required in the fund's financial statements.

5. Distributions: Distributions to shareholders are recorded on the ex-dividend date. Distributions are determined on a tax basis at the fiscal year-end and may differ from net investment income and realized capital gains for financial reporting purposes.

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

7. Credit Facilities and Interfund Lending Program: The fund and certain other funds managed by The Vanguard Group ("Vanguard") participate in a $4.3 billion committed credit facility provided by a syndicate of lenders pursuant to a credit agreement and an uncommitted credit facility provided by Vanguard. Both facilities may be renewed annually. Each fund is individually liable for its borrowings, if any, under the credit facilities. Borrowings may be utilized for temporary or emergency purposes and are subject to the fund's regulatory and contractual borrowing restrictions. With respect to the committed credit facility, the participating funds are charged administrative fees and an annual commitment fee of 0.10% of the undrawn committed amount of the facility, which are allocated to the funds based on a method approved by the fund's board of trustees and included in Management and Administrative expenses on the fund's Statement of Operations. Any borrowings under either facility bear interest at an agreed-upon spread plus the

higher of the federal funds effective rate, the overnight bank funding rate, or the Daily Simple Secured Overnight Financing Rate inclusive of an additional agreed-upon spread. However, borrowings under the uncommitted credit facility may bear interest based upon an alternate rate agreed to by the fund and Vanguard.

In accordance with an exemptive order (the "Order") from the SEC, the fund may participate in a joint lending and borrowing program that allows registered open-end Vanguard funds to borrow money from and lend money to each other for temporary or emergency purposes (the "Interfund Lending Program"), subject to compliance with the terms and conditions of the Order, and to the extent permitted by the fund's investment objective and investment policies. Interfund loans and borrowings normally extend overnight but can have a maximum duration of seven days. Loans may be called on one business day's notice. The interest rate to be charged is governed by the conditions of the Order and internal procedures adopted by the board of trustees. The board of trustees is responsible for overseeing the Interfund Lending Program.

For the six months ended April 30, 2023, the fund did not utilize the credit facilities or the Interfund Lending Program.

8. Other: Dividend income is recorded on the ex-dividend date. Non-cash dividends included in income, if any, are recorded at the fair value of the securities received. Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

Taxes on foreign dividends and capital gains have been provided for in accordance with the fund's understanding of the applicable countries' tax rules and rates. Deferred foreign capital gains tax, if any, is accrued daily based upon net unrealized gains. The fund has filed tax reclaims for previously withheld taxes on dividends earned in certain European Union countries. These filings are subject to various administrative and judicial proceedings within these countries. Amounts related to these reclaims are recorded when there are no significant uncertainties as to the ultimate resolution of proceedings, the likelihood of receipt of these reclaims, and the potential timing of payment. Such tax reclaims and related professional fees, if any, are included in dividend income and other expenses, respectively.

B. The investment advisory firms Lazard Asset Management LLC, ARGA Investment Management, LP, and Sprucegrove Investment Management Ltd. each provide investment advisory services to a portion of the fund for a fee calculated at an annual percentage rate of average net assets managed by the advisor. The basic fees of Lazard Asset Management LLC and ARGA Investment Management, LP, are subject to quarterly adjustments based on performance relative to the MSCI All Country World Index ex US for the preceding five years. The basic fee of Sprucegrove Investment Management Ltd. is subject to quarterly adjustments based on performance relative to the MSCI All Country World Index ex US since October 31, 2020.

Vanguard manages the cash reserves of the fund as described below.

For the six months ended April 30, 2023, the aggregate investment advisory fee paid to all advisors represented an effective annual basic rate of 0.16% of the fund's average net assets, before a net increase of $410,000 (0.01%) based on performance.

C. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund corporate management, administrative, marketing, distribution, and cash management services at Vanguard's cost of operations (as defined by the FSA). These costs of operations are allocated to the fund based on methods and guidelines approved by the board of trustees and are generally settled twice a month.

Upon the request of Vanguard, the fund may invest up to 0.40% of its net assets as capital in Vanguard. At April 30, 2023, the fund had contributed to Vanguard capital in the amount of $482,000, representing less than 0.01% of the fund's net assets and 0.19% of Vanguard's capital received pursuant to the FSA. The fund's trustees and officers are also directors and employees, respectively, of Vanguard.

D. Various inputs may be used to determine the value of the fund'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 fund'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.

The following table summarizes the market value of the fund's investments and derivatives as of April 30, 2023, based on the inputs used to value them:

	Level 1 ($000)	Level 2 ($000)	Level 3 ($000)	Total ($000)
Investments				
Assets				
Common Stocks—North and South America	1,277,531	71,550	—	1,349,081
Common Stocks—Other	871,283	10,793,752	—	11,665,035
Temporary Cash Investments	646,773	—	—	646,773
Total	2,795,587	10,865,302	—	13,660,889
Derivative Financial Instruments				
Assets				
Futures Contracts[1]	9,733	—	—	9,733

1 Includes cumulative appreciation (depreciation) on futures contracts and centrally cleared swaps, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statement of Assets and Liabilities.

E. As of April 30, 2023, gross unrealized appreciation and depreciation for investments and derivatives based on cost for U.S. federal income tax purposes were as follows:

	Amount ($000)
Tax Cost	12,358,729
Gross Unrealized Appreciation	2,448,413
Gross Unrealized Depreciation	(1,136,520)
Net Unrealized Appreciation (Depreciation)	1,311,893

The fund's tax-basis capital gains and losses are determined only at the end of each fiscal year. For tax purposes, at October 31, 2022, the fund had available capital losses totaling $290,452,000 that may be carried forward indefinitely to offset future net capital gains. The fund will use these capital losses to offset net taxable capital gains, if any, realized during the year ending October 31, 2023; should the fund realize net capital losses for the year, the losses will be added to the loss carryforward balance above.

F. During the six months ended April 30, 2023, the fund purchased $1,676,108,000 of investment securities and sold $2,147,587,000 of investment securities, other than temporary cash investments.

G. Capital shares issued and redeemed were:

	Six Months Ended April 30, 2023	Year Ended October 31, 2022
	Shares (000)	Shares (000)
Issued	28,768	61,320
Issued in Lieu of Cash Distributions	8,593	14,416
Redeemed	(44,377)	(67,638)
Net Increase (Decrease) in Shares Outstanding	(7,016)	8,098

H. Significant market disruptions, such as those caused by pandemics (e.g., COVID-19 pandemic), natural or environmental disasters, war (e.g., Russia's invasion of Ukraine), acts of terrorism, or other events, can adversely affect local and global markets and normal market operations. Any such disruptions could have an adverse impact on the value of the fund's investments and fund performance.

To the extent the fund's investment portfolio reflects concentration in a particular market, industry, sector, country or asset class, the fund may be adversely affected by the performance of these concentrations and may be subject to increased price volatility and other risks.

The use of derivatives may expose the fund to various risks. Derivatives can be highly volatile, and any initial investment is generally small relative to the notional amount 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 derivatives positions can, therefore, increase volatility. Additional information regarding the fund's use of derivative(s) and the specific risks associated is described under significant accounting policies.

I. Management has determined that no events or transactions occurred subsequent to April 30, 2023, that would require recognition or disclosure in these financial statements.

Trustees Approve Advisory Arrangements

The board of trustees of Vanguard International Value Fund has renewed the fund's investment advisory arrangements with ARGA Investment Management, LP (ARGA); Sprucegrove Investment Management Ltd. (Sprucegrove); and Lazard Asset Management LLC (Lazard). The board determined that renewing the fund's advisory arrangements was in the best interests of the fund and its shareholders.

The board based its decisions upon an evaluation of each advisor's investment staff, portfolio management process, and performance. This evaluation included information provided to the board by Vanguard's Portfolio Review Department, which is responsible for fund and advisor oversight and product management. The Portfolio Review Department met regularly with the advisors and made presentations to the board during the fiscal year that directed the board's focus to relevant information and topics.

The board, or an investment committee made up of board members, also received information throughout the year during advisor presentations. For each advisor presentation, the board was provided with letters and reports that included information about, among other things, the advisory firm and the advisor's assessment of the investment environment, portfolio performance, and portfolio characteristics.

In addition, the board received periodic reports throughout the year, which included information about the fund's performance relative to its peers and benchmark, as applicable, and updates, as needed, on the Portfolio Review Department's ongoing assessment of the advisor.

Prior to their meeting, the trustees were provided with a memo and materials that summarized the information they received over the course of the year. They also considered the factors discussed below, among others. However, no single factor determined whether the board approved the arrangements. Rather, it was the totality of the circumstances that drove the board's decisions.

Nature, extent, and quality of services
The board reviewed the quality of the fund's investment management services over both the short and long term, and took into account the organizational depth and stability of each advisor. The board considered the following:

ARGA. ARGA is an independent investment management firm focused on global equities. The firm invests in businesses that it believes are undervalued based on its forecasts of long-term normalized earnings power and dividend-paying capabilities. ARGA's investment philosophy is based on the belief that investors overreact to short-term developments, leading to opportunities to generate gains from investing in great businesses at compelling valuations. Unlike traditional value managers, ARGA does not rely specifically on regression to the mean. Its classic value-oriented process is designed to identify both company and systemic risk, stress-testing stocks to assess potential downside. The process is driven by bottom-up fundamental research completed by a team of business analysts leveraging the firm's proprietary industry models to select stocks that trade at a discount to intrinsic value. ARGA has managed a portion of the fund since 2012.

Sprucegrove. Sprucegrove is a Toronto-based boutique asset manager focused on serving institutional clients by applying a disciplined quality value philosophy focused on international and

global equities. The investment team at Sprucegrove employs a relative value approach by identifying high-quality companies translating to a defensive, lower-risk strategy over the long term. The investment process begins with a bottom-up idea generation process, where analysts identify high-quality companies as measured against the five pillars: above-average and consistent profitability, sustainable competitive advantages, financial strength, growth opportunities, and capable management. The investment process also involves analysts reviewing a decade of annual reports and balance sheets, understanding the fundamentals of both the company and its competitors, and ultimately coming to normalized projections of return on equity (ROE). Sprucegrove has managed a portion of the fund since 2020.

Lazard. Lazard, a subsidiary of the investment bank Lazard Freres & Co. LLC, provides investment management services for clients around the world in a variety of investment mandates, including international equities, domestic equities, and fixed income securities. The investment team at Lazard employs bottom-up stock selection to identify stocks with sustainable financial productivity and attractive valuations overlooked by most market participants. The investment process seeks to take advantage of three types of market inefficiencies: compounders, mispriced companies, and restructuring. The investment process leverages collaboration between the portfolio management team and Lazard's global research platform, including an experienced team of global sector analysts who perform deep fundamental analysis of individual companies. Lazard has managed a portion of the fund since 2006.

The board concluded that each advisor's experience, stability, depth, and performance, among other factors, warranted approval of the advisory arrangements.

Investment performance
The board considered the short- and long-term performance of the fund and each advisor, including any periods of outperformance or underperformance compared with a relevant benchmark index and peer group. The board concluded that the performance was such that the advisory arrangements should continue.

Cost
The board concluded that the fund's expense ratio was below the average expense ratio charged by funds in its peer group and that the fund's advisory fee rates were also below the peer-group average.

The board did not consider the profitability of ARGA, Sprucegrove, or Lazard in determining whether to approve the advisory fees, because the firms are independent of Vanguard and the advisory fees are the result of arm's-length negotiations.

The benefit of economies of scale
The board concluded that the fund's shareholders benefit from economies of scale because of breakpoints in the fund's advisory fee schedules with ARGA, Sprucegrove, and Lazard. The breakpoints reduce the effective rate of the fees as the fund's assets managed by each firm increase.

The board will consider whether to renew the advisory arrangements again after a one-year period.

Liquidity Risk Management

Vanguard funds (except for the money market funds) have adopted and implemented a written liquidity risk management program (the "Program") as required by Rule 22e-4 under the Investment Company Act of 1940. Rule 22e-4 requires that each fund adopt a program that is reasonably designed to assess and manage the fund's liquidity risk, which is the risk that the fund could not meet redemption requests without significant dilution of remaining investors' interests in the fund.

Assessment and management of a fund's liquidity risk under the Program take into consideration certain factors, such as the fund's investment strategy and the liquidity of its portfolio investments during normal and reasonably foreseeable stressed conditions, its short- and long-term cash-flow projections during both normal and reasonably foreseeable stressed conditions, and its cash and cash-equivalent holdings and access to other funding sources. As required by the rule, the Program includes policies and procedures for classification of fund portfolio holdings in four liquidity categories, maintaining certain levels of highly liquid investments, and limiting holdings of illiquid investments.

The board of trustees of Vanguard Trustees' Equity Fund approved the appointment of liquidity risk management program administrators responsible for administering Vanguard International Value Fund's Program and for carrying out the specific responsibilities set forth in the Program, including reporting to the board on at least an annual basis regarding the Program's operation, its adequacy, and the effectiveness of its implementation for the past year (the "Program Administrator Report"). The board has reviewed the Program Administrator Report covering the period from January 1, 2022, through December 31, 2022 (the "Review Period"). The Program Administrator Report stated that during the Review Period the Program operated and was implemented effectively to manage the fund's liquidity risk.

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You can review information about your fund on the SEC's website, and you can receive copies of this information, for a fee, by sending a request via email addressed to publicinfo@sec.gov.

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