Vanguard®

Semiannual Report | April 30, 2023

Vanguard Selected Value Fund

Contents

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

Selected 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	$1,083.80	$2.22
Based on Hypothetical 5% Yearly Return	1,000.00	1,022.66	2.16

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 0.43%. 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).

Selected Value Fund

Fund Allocation
As of April 30, 2023

Communication Services	1.7%
Consumer Discretionary	17.1
Consumer Staples	0.9
Energy	3.7
Financials	26.2
Health Care	8.3
Industrials	20.0
Information Technology	9.9
Materials	7.3
Real Estate	2.7
Utilities	2.2

The table reflects the fund's investments, except for short-term investments and derivatives. Sector categories are based on the Global Industry Classification Standard ("GICS"), except for the "Other" category (if applicable), which includes securities that have not been provided a GICS classification as of the effective reporting period.

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 (94.7%)		
Communication Services (1.5%)		
Omnicom Group Inc.	684,200	61,968
* Activision Blizzard Inc.	416,330	32,353
		94,321
Consumer Discretionary (16.2%)		
Gildan Activewear Inc.	3,479,628	113,366
* Taylor Morrison Home Corp. Class A	2,232,743	96,209
Lear Corp.	545,377	69,623
* Skechers USA Inc. Class A	1,203,063	63,991
Gentex Corp.	2,217,574	61,183
* M/I Homes Inc.	893,000	60,403
* Helen of Troy Ltd.	573,740	57,569
Hasbro Inc.	903,586	53,510
PVH Corp.	586,275	50,308
Newell Brands Inc.	4,134,510	50,234
* CarMax Inc.	701,040	49,094
Magna International Inc.	923,402	48,165
Gap Inc.	4,629,193	44,440
* Mohawk Industries Inc.	368,505	39,025
American Eagle Outfitters Inc.	2,764,660	37,019
Whirlpool Corp.	238,100	33,236
LKQ Corp.	423,150	24,428
Hanesbrands Inc.	3,982,200	20,867
		972,670
Consumer Staples (0.9%)		
Ingredion Inc.	271,800	28,857
Spectrum Brands Holdings Inc.	381,651	25,380
		54,237
Energy (3.5%)		
Civitas Resources Inc.	770,911	53,231
Williams Cos. Inc.	1,616,200	48,906
NOV Inc.	2,437,700	40,832
Halliburton Co.	1,164,105	38,124
Chord Energy Corp.	200,000	28,466
		209,559
Financials (24.8%)		
Globe Life Inc.	929,116	100,828
Unum Group	2,337,048	98,623
Fidelity National Financial Inc.	2,372,466	84,199
Voya Financial Inc.	921,202	70,454
Jefferies Financial Group Inc.	2,152,878	68,957
State Street Corp.	921,970	66,622
CNO Financial Group Inc.	2,781,935	62,427
Equitable Holdings Inc.	2,353,647	61,171
Essent Group Ltd.	1,314,260	55,817
Radian Group Inc.	2,170,000	52,666
Brookfield Asset Management Ltd. Class A	1,525,030	51,165
* Genworth Financial Inc. Class A	7,156,600	41,580
Cboe Global Markets Inc.	297,000	41,491
Regions Financial Corp.	2,085,951	38,089
CNA Financial Corp.	970,889	37,777
* Markel Corp.	27,490	37,621
M&T Bank Corp.	293,100	36,872
Allstate Corp.	314,565	36,414
Reinsurance Group of America Inc.	252,418	35,924
Axis Capital Holdings Ltd.	627,621	35,486
Discover Financial Services	323,359	33,458
Loews Corp.	521,400	30,017
Fifth Third Bancorp	1,122,424	29,407
* Arch Capital Group Ltd.	382,291	28,699
Ally Financial Inc.	1,000,000	26,380
Invesco Ltd.	1,529,420	26,199
FirstCash Holdings Inc.	247,630	25,513
Webster Financial Corp.	679,063	25,329
RenaissanceRe Holdings Ltd.	114,990	24,770
MGIC Investment Corp.	1,612,799	23,982
American International Group Inc.	388,682	20,616
Glacier Bancorp Inc.	515,081	17,116
KeyCorp.	1,492,763	16,808
Comerica Inc.	370,173	16,054
Jackson Financial Inc. Class A	361,503	13,018
Everest Re Group Ltd.	31,771	12,009
Navient Corp.	479,339	7,928
		1,491,486
Health Care (7.9%)		
[1] Fresenius Medical Care AG & Co. KGaA ADR	3,588,489	86,913
Baxter International Inc.	1,216,320	57,994
DENTSPLY SIRONA Inc.	1,278,230	53,596

		Shares	Market Value• ($000)
*	Integra LifeSciences Holdings Corp.	899,532	49,762
	Perrigo Co. plc	1,306,241	48,579
	Laboratory Corp. of America Holdings	211,580	47,967
	Teleflex Inc.	173,990	47,416
	Cardinal Health Inc.	572,722	47,021
*	Henry Schein Inc.	429,802	34,732
			473,980
	Industrials (18.9%)		
*	AerCap Holdings NV	3,504,801	197,531
	Acuity Brands Inc.	620,587	97,668
	Terex Corp.	1,313,373	58,563
	Esab Corp.	898,380	52,430
	BWX Technologies Inc.	729,045	47,082
	SS&C Technologies Holdings Inc.	790,883	46,298
	Westinghouse Air Brake Technologies Corp.	470,769	45,980
	AMETEK Inc.	323,710	44,649
	Woodward Inc.	463,885	44,542
	Stanley Black & Decker Inc.	505,350	43,632
	Ritchie Bros Auctioneers Inc.	745,569	42,639
	MSC Industrial Direct Co. Inc. Class A	457,552	41,514
	Fortune Brands Innovations Inc.	572,191	37,015
	Enerpac Tool Group Corp. Class A	1,539,856	36,587
	Triton International Ltd.	426,700	35,275
*	JetBlue Airways Corp.	4,790,529	34,204
*	JELD-WEN Holding Inc.	2,664,409	34,051
*	MasTec Inc.	379,846	33,734
*	Gates Industrial Corp. plc	2,455,530	33,076
	Armstrong World Industries Inc.	472,630	32,451
	Textainer Group Holdings Ltd.	746,360	26,197
	MDU Resources Group Inc.	781,863	22,846
	Genpact Ltd.	505,149	22,505
	Snap-on Inc.	56,185	14,575
*,1	Air France KLM ADR	4,102,756	7,159
*	Masterbrand Inc.	572,191	4,618
			1,136,821
	Information Technology (9.4%)		
	TE Connectivity Ltd.	908,655	111,192
*	Arrow Electronics Inc.	802,408	91,820
	Avnet Inc.	1,564,918	64,568
	Open Text Corp.	1,679,524	63,637
	Cognizant Technology Solutions Corp. Class A	839,956	50,154
	Amdocs Ltd.	528,363	48,213
	MKS Instruments Inc.	536,880	45,028
	Micron Technology Inc.	521,049	33,535
*,1	Celestica Inc.	3,057,329	33,203
	Juniper Networks Inc.	392,407	11,831
	Hewlett Packard Enterprise Co.	712,568	10,204
			563,385
	Materials (6.9%)		
	Dow Inc.	1,324,763	72,067
*	Axalta Coating Systems Ltd.	1,982,429	62,585
	Olin Corp.	1,093,779	60,595
	US Steel Corp.	2,343,700	53,624
*	Eldorado Gold Corp.	3,834,000	42,366
*	IAMGOLD Corp.	14,779,630	42,122
	Kinross Gold Corp.	7,062,729	35,667
1	Centerra Gold Inc.	3,735,276	25,213
*,1	Equinox Gold Corp.	2,671,383	13,270
	Mosaic Co.	239,370	10,257
			417,766
	Real Estate (2.6%)		
*	CBRE Group Inc. Class A	936,474	71,790
*	Howard Hughes Corp.	474,941	36,746
	DiamondRock Hospitality Co.	4,184,066	33,933
	Park Hotels & Resorts Inc.	1,024,815	12,349
			154,818
	Utilities (2.1%)		
	Edison International	943,328	69,429
	Atmos Energy Corp.	303,473	34,638
	Entergy Corp.	110,564	11,895
	Constellation Energy Corp.	141,989	10,990
			126,952
	Total Common Stocks (Cost $5,030,745)		**5,695,995**
	Temporary Cash Investments (5.7%)		
	Money Market Fund (5.7%)		
2,3	Vanguard Market Liquidity Fund, 4.853% **(Cost $341,238)**	3,413,201	**341,286**
	Total Investments (100.4%) (Cost $5,371,983)		**6,037,281**
	Other Assets and Liabilities—Net (-0.4%)		**(26,308)**
	Net Assets (100%)		**6,010,973**

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 $16,209,000.

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

3 Collateral of $16,885,000 was received for securities on loan.

ADR—American Depositary Receipt.

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

			($000)	
	Expiration	Number of Long (Short) Contracts	Notional Amount	Value and Unrealized Appreciation (Depreciation)
Long Futures Contracts				
E-mini S&P 500 Index	June 2023	421	88,168	6,089

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 $5,030,745)	5,695,995
Affiliated Issuers (Cost $341,238)	341,286
Total Investments in Securities	6,037,281
Investment in Vanguard	214
Cash	1,900
Cash Collateral Pledged—Futures Contracts	4,864
Foreign Currency, at Value (Cost $26)	24
Receivables for Investment Securities Sold	2,694
Receivables for Accrued Income	4,130
Receivables for Capital Shares Issued	3,007
Variation Margin Receivable—Futures Contracts	884
Total Assets	**6,054,998**
Liabilities	
Payables for Investment Securities Purchased	19,704
Collateral for Securities on Loan	16,885
Payables to Investment Advisor	4,043
Payables for Capital Shares Redeemed	3,000
Payables to Vanguard	393
Total Liabilities	**44,025**
Net Assets	**6,010,973**

1 Includes $16,209,000 of securities on loan.

At April 30, 2023, net assets consisted of:

Paid-in Capital	5,181,226
Total Distributable Earnings (Loss)	829,747
Net Assets	**6,010,973**

Net Assets	
Applicable to 228,000,169 outstanding $.001 par value shares of beneficial interest (unlimited authorization)	**6,010,973**
Net Asset Value Per Share	**$26.36**

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]	62,093
Interest[2]	6,731
Securities Lending—Net	38
Total Income	68,862
Expenses	
Investment Advisory Fees—Note B	
Basic Fee	6,602
Performance Adjustment	1,315
The Vanguard Group—Note C	
Management and Administrative	4,542
Marketing and Distribution	143
Custodian Fees	12
Shareholders' Reports	63
Trustees' Fees and Expenses	1
Other Expenses	8
Total Expenses	12,686
Expenses Paid Indirectly	(33)
Net Expenses	12,653
Net Investment Income	**56,209**
Realized Net Gain (Loss)	
Investment Securities Sold[2]	131,130
Futures Contracts	3,558
Foreign Currencies	(1)
Realized Net Gain (Loss)	**134,687**
Change in Unrealized Appreciation (Depreciation)	
Investment Securities[2]	277,754
Futures Contracts	6,677
Change in Unrealized Appreciation (Depreciation)	**284,431**
Net Increase (Decrease) in Net Assets Resulting from Operations	**475,327**

1 Dividends are net of foreign withholding taxes of $749,000.
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 $6,600,000, $21,000, $1,000, and $11,000, respectively. Purchases and sales are for temporary cash investment purposes.

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	56,209	90,259
Realized Net Gain (Loss)	134,687	642,180
Change in Unrealized Appreciation (Depreciation)	284,431	(1,212,783)
Net Increase (Decrease) in Net Assets Resulting from Operations	475,327	(480,344)
Distributions		
Total Distributions	(683,854)	(497,527)
Capital Share Transactions		
Issued	293,119	573,444
Issued in Lieu of Cash Distributions	618,158	454,963
Redeemed	(478,717)	(1,063,876)
Net Increase (Decrease) from Capital Share Transactions	432,560	(35,469)
Total Increase (Decrease)	224,033	(1,013,340)
Net Assets		
Beginning of Period	**5,786,940**	**6,800,280**
End of Period	**6,010,973**	**5,786,940**

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	**$27.62**	**$32.26**	**$22.78**	**$27.59**	**$27.38**	**$33.15**
Investment Operations						
Net Investment Income[1]	.251	.417	.389	.368	.493	.493
Net Realized and Unrealized Gain (Loss) on Investments	1.790	(2.674)	11.737	(3.163)	2.392	(3.153)
Total from Investment Operations	2.041	(2.257)	12.126	(2.795)	2.885	(2.660)
Distributions						
Dividends from Net Investment Income	(.440)	(.393)	(.360)	(.450)	(.506)	(.423)
Distributions from Realized Capital Gains	(2.861)	(1.990)	(2.286)	(1.565)	(2.169)	(2.687)
Total Distributions	(3.301)	(2.383)	(2.646)	(2.015)	(2.675)	(3.110)
Net Asset Value, End of Period	**$26.36**	**$27.62**	**$32.26**	**$22.78**	**$27.59**	**$27.38**
Total Return[2]	**8.38%**	**-7.29%**	**56.30%**	**-11.25%**	**12.51%**	**-9.15%**
Ratios/Supplemental Data						
Net Assets, End of Period (Millions)	$6,011	$5,787	$6,800	$5,009	$7,892	$8,811
Ratio of Total Expenses to Average Net Assets[3]	0.43%[4]	0.38%[4]	0.32%	0.31%	0.33%	0.36%
Ratio of Net Investment Income to Average Net Assets	1.80%	1.43%	1.30%	1.58%	1.89%	1.61%
Portfolio Turnover Rate	14%	26%	30%	85%	31%	31%

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 0.04%, 0.00%, (0.05%), (0.06%), (0.06%), and (0.02%).

4 The ratio of expenses to average net assets for the period net of reduction from broker commission abatement arrangements was 0.43% and 0.38%, respectively.

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

Notes to Financial Statements

Vanguard Selected 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. Temporary cash investments are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services.

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. Premiums and discounts on debt securities are amortized and accreted, respectively, to interest income over the lives of the respective securities, except for premiums on certain callable debt securities that are amortized to the earliest call date. 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.

B. The investment advisory firms Cooke & Bieler, LP, Pzena Investment Management, LLC, and Donald Smith & Co., Inc., 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 fee of Cooke & Bieler, LP, is subject to quarterly adjustments based on performance relative to the Russell Midcap Value Index since January 31, 2020. The basic fee of Pzena Investment Management, LLC, is subject to quarterly adjustments based on performance relative to the Russell Midcap Value Index for the preceding three years. The basic fee of Donald Smith & Co., Inc., is subject to quarterly adjustments based on performance relative to the MSCI Investable Market 2500 Index for the preceding five years.

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 0.22% of the fund's average net assets, before a net increase of $1,315,000 (0.04%) 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 $214,000, representing less than 0.01% of the fund's net assets and 0.09% of Vanguard's capital received pursuant to the FSA. The fund's trustees and officers are also directors and employees, respectively, of Vanguard.

D. The fund has asked its investment advisors to direct certain security trades, subject to obtaining the best price and execution, to brokers who have agreed to rebate to the fund part of the commissions generated. Such rebates are used solely to reduce the fund's management and administrative expenses. For the six months ended April 30, 2023, these arrangements reduced the fund's expenses by $33,000 (an annual rate of less than 0.01% of average net assets).

E. 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.

At April 30, 2023, 100% of the market value of the fund's investments and derivatives was determined based on Level 1 inputs.

F. 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	5,376,076
Gross Unrealized Appreciation	1,125,361
Gross Unrealized Depreciation	(458,067)
Net Unrealized Appreciation (Depreciation)	667,294

G. During the six months ended April 30, 2023, the fund purchased $795,828,000 of investment securities and sold $998,155,000 of investment securities, other than temporary cash investments.

H. Capital shares issued and redeemed were:

	Six Months Ended April 30, 2023	Year Ended October 31, 2022
	Shares (000)	Shares (000)
Issued	11,020	19,356
Issued in Lieu of Cash Distributions	25,397	15,825
Redeemed	(17,965)	(36,410)
Net Increase (Decrease) in Shares Outstanding	18,452	(1,229)

I. 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.

J. 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 Selected Value Fund has renewed the fund's investment advisory arrangements with Pzena Investment Management, LLC (Pzena), Cooke & Bieler, L.P. (C&B), and Donald Smith & Co., Inc. (Donald Smith & Co.). 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 provided by Pzena, C&B, and Donald Smith & Co. over both the short and long term and took into account the organizational depth and stability of each advisor. The board considered the following:

Pzena. Founded in 1995, Pzena is a global investment management firm that employs a classic value investment approach. Pzena seeks to buy good businesses at low prices, focusing exclusively on companies that are underperforming their historically demonstrated earnings power. Pzena's research team conducts intensive fundamental research, buying companies only when the problems are judged to be temporary, management has a viable strategy to generate earnings recovery, and much of the downside risk is believed to already be factored into the share price. Pzena has managed a portion of the fund since 2014.

C&B. Founded in 1949, C&B is an independently owned investment boutique with assets across six domestic value strategies. The portfolio management team comprises eight analysts/portfolio managers that cover the entire market-cap spectrum and specialize in particular sectors. The team has employed the same research-driven, bottom-up, quality value approach for more than six decades, seeking to invest in high-quality companies trading at attractive valuations. While the team is highly collaborative, the analysts/portfolio managers retain individual decision-making authority across each of the portfolios and coverage for their respective sectors, resulting in a structure that contains elements of a multi-counselor approach. C&B has managed a portion of the fund since 2019.

Donald Smith & Co. Founded in 1983, Donald Smith & Co. is a deep-value-oriented firm that manages large-, mid-, and small-capitalization value portfolios. Donald Smith & Co. employs a strictly bottom-up approach, focusing on companies in the bottom decile of price-to-tangible-book value in the benchmark. The advisor uses fundamental analysis to invest in those companies that it considers to be inexpensive relative to their estimate of normalized earnings power and to have solid balance sheets and asset quality. Donald Smith & Co. has managed a portion of the fund since 2005.

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

Investment performance

The board considered the short- and long-term performance, as applicable, of Pzena's, C&B's, and Donald Smith & Co.'s subportfolios, 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 Pzena's, C&B's, and Donald Smith & Co.'s advisory fee rates were also below the peer-group average.

The board did not consider the profitability of Pzena, C&B, or Donald Smith & Co. 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 advisory fee schedules for Pzena, C&B, and Donald Smith & Co. The breakpoints reduce the effective rate of the fees as the fund's assets managed by each advisor 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 Whitehall Funds approved the appointment of liquidity risk management program administrators responsible for administering Vanguard Selected 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.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

Vanguard®

Connect with Vanguard® > vanguard.com

Fund Information > 800-662-7447

Direct Investor Account Services > 800-662-2739

Institutional Investor Services > 800-523-1036

Text Telephone for People Who Are Deaf or Hard of Hearing > 800-749-7273

This material may be used in conjunction with the offering of shares of any Vanguard fund only if preceded or accompanied by the fund's current prospectus.

You can obtain a free copy of Vanguard's proxy voting guidelines by visiting vanguard.com/proxyreporting or by calling Vanguard at 800-662-2739. The guidelines are also available from the SEC's website, www.sec.gov. In addition, you may obtain a free report on how your fund voted the proxies for securities it owned during the 12 months ended June 30. To get the report, visit either vanguard.com/proxyreporting or www.sec.gov.

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.

Q9342 062023