

Financial Statements and Other Information

Name of registrant: Vanguard Chester Funds

Date of fiscal year end: September 30

Date of reporting period: October 1, 2023—September 30, 2024

Item 7: Financial Statements and Financial Highlights for Open-End Management Investment Companies.

Financial Statements
For the year ended September 30, 2024
Vanguard PRIMECAP Fund

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Financial Statements

Schedule of Investments

As of September 30, 2024

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 (98.1%)		
Communication Services (5.7%)		
Alphabet Inc. Class A	11,031,240	1,829,531
Alphabet Inc. Class C	6,336,720	1,059,436
* Baidu Inc. ADR	6,943,141	731,043
Walt Disney Co.	4,597,005	442,186
Meta Platforms Inc. Class A	259,750	148,691
T-Mobile US Inc.	337,800	69,709
* Charter Communications Inc. Class A	193,600	62,742
* Live Nation Entertainment Inc.	499,000	54,636
* Netflix Inc.	75,100	53,266
Universal Music Group NV	807,908	21,136
* Altice USA Inc. Class A	4,710,800	11,589
Comcast Corp. Class A	51,000	2,130
Nintendo Co. Ltd.	17,500	935
		4,487,030
Consumer Discretionary (10.5%)		
* Tesla Inc.	5,679,300	1,485,875
Alibaba Group Holding Ltd. ADR	12,169,717	1,291,450
¹ Sony Group Corp. ADR	12,915,400	1,247,240
Ross Stores Inc.	7,590,900	1,142,506
TJX Cos. Inc.	7,553,500	887,838
* Amazon.com Inc.	3,063,500	570,822
^{*,2} Mattel Inc.	25,160,838	479,314
² Whirlpool Corp.	3,137,832	335,748
Royal Caribbean Cruises Ltd.	1,858,947	329,703
Bath & Body Works Inc.	3,480,714	111,104
eBay Inc.	1,189,000	77,416
* Burlington Stores Inc.	217,700	57,360
* Flutter Entertainment plc	210,942	49,603
Newell Brands Inc.	4,991,000	38,331
* Carnival Corp.	2,054,065	37,959
* Victoria's Secret & Co.	1,164,071	29,917
Marriott International Inc. Class A	97,000	24,114
* MGM Resorts International	540,000	21,109
* Ulta Beauty Inc.	21,000	8,172
		8,225,581
Consumer Staples (0.5%)		
Sysco Corp.	3,383,501	264,116
* Dollar Tree Inc.	1,430,614	100,601
Altria Group Inc.	572,600	29,225
Dollar General Corp.	77,000	6,512
Tyson Foods Inc. Class A	100,000	5,956
¹ Haleon plc ADR	548,000	5,798
		412,208
Energy (2.1%)		
Hess Corp.	4,771,700	647,997
Exxon Mobil Corp.	3,714,527	435,417
ConocoPhillips	2,265,600	238,522
EOG Resources Inc.	1,605,300	197,340
* Transocean Ltd. (XNYS)	17,429,773	74,077
Schlumberger NV	706,400	29,633
		1,622,986
Financials (6.7%)		
Wells Fargo & Co.	21,831,417	1,233,257
JPMorgan Chase & Co.	3,653,400	770,356
Visa Inc. Class A	2,331,400	641,019
Marsh & McLennan Cos. Inc.	2,610,516	582,380
Raymond James Financial Inc.	4,306,903	527,423
Bank of America Corp.	6,907,832	274,103

PRIMECAP Fund

	Shares	Market Value* (\$000)
* PayPal Holdings Inc.	3,003,956	234,399
Progressive Corp.	833,000	211,382
Northern Trust Corp.	2,094,900	188,604
Mastercard Inc. Class A	308,300	152,239
CME Group Inc.	629,768	138,958
Citigroup Inc.	1,795,000	112,367
Fidelity National Information Services Inc.	1,066,500	89,319
Charles Schwab Corp.	687,414	44,551
Goldman Sachs Group Inc.	51,700	25,597
Morgan Stanley	205,000	21,369
		5,247,323
Health Care (30.4%)		
Eli Lilly & Co.	10,656,328	9,440,867
Amgen Inc.	8,987,985	2,896,019
* Boston Scientific Corp.	25,696,344	2,153,354
AstraZeneca plc ADR	25,729,688	2,004,600
*,2 Biogen Inc.	9,179,801	1,779,413
Thermo Fisher Scientific Inc.	1,554,547	961,596
Novartis AG ADR	7,783,525	895,261
Bristol-Myers Squibb Co.	12,726,086	658,448
* BioMarin Pharmaceutical Inc.	7,270,808	511,065
* BeiGene Ltd. ADR	2,200,190	493,965
GSK plc ADR	10,357,490	423,414
Roche Holding AG	985,345	315,327
* Elanco Animal Health Inc. (XNYS)	19,016,439	279,351
Zimmer Biomet Holdings Inc.	2,204,500	237,976
CVS Health Corp.	2,145,500	134,909
Stryker Corp.	343,400	124,057
Agilent Technologies Inc.	732,516	108,764
Abbott Laboratories	660,000	75,247
UnitedHealth Group Inc.	94,615	55,319
Sanofi SA ADR	893,000	51,463
Medtronic plc	570,000	51,317
* IQVIA Holdings Inc.	213,584	50,613
3 Siemens Healthineers AG	721,300	43,322
Alcon Inc.	431,300	43,160
* Edwards Lifesciences Corp.	492,100	32,474
Sandoz Group AG	364,572	15,193
* Waters Corp.	33,680	12,121
Danaher Corp.	12,402	3,448
Humana Inc.	10,076	3,191
* Zimvie Inc.	27,100	430
		23,855,684
Industrials (12.6%)		
FedEx Corp.	8,522,158	2,332,344
Siemens AG (Registered)	7,802,676	1,578,543
Southwest Airlines Co.	25,401,478	752,646
* United Airlines Holdings Inc.	12,148,403	693,188
Delta Air Lines Inc.	11,321,900	575,039
Airbus SE	3,517,566	514,818
Caterpillar Inc.	1,224,400	478,887
TransDigm Group Inc.	309,316	441,434
Union Pacific Corp.	1,327,800	327,276
Textron Inc.	3,601,000	318,977
*,1 American Airlines Group Inc.	26,384,413	296,561
United Parcel Service Inc. Class B (XNYS)	1,928,970	262,996
Otis Worldwide Corp.	1,517,260	157,704
General Dynamics Corp.	511,300	154,515
* Alaska Air Group Inc.	3,280,700	148,320
Carrier Global Corp.	1,670,200	134,434
JB Hunt Transport Services Inc.	515,900	88,905
Norfolk Southern Corp.	310,800	77,234
CSX Corp.	1,988,800	68,673
nVent Electric plc	859,000	60,353
Honeywell International Inc.	221,000	45,683
RTX Corp.	376,870	45,662
L3Harris Technologies Inc.	189,000	44,957
Rockwell Automation Inc.	165,500	44,430
* Boeing Co.	271,300	41,248

PRIMECAP Fund

	Shares	Market Value* (\$000)
* Lyft Inc. Class A	3,209,900	40,926
Deere & Co.	73,700	30,757
AMETEK Inc.	170,200	29,225
Ryanair Holdings plc ADR	625,000	28,238
* WillScot Holdings Corp.	722,300	27,159
* Uber Technologies Inc.	121,150	9,106
		9,850,238
Information Technology (28.4%)		
Microsoft Corp.	6,072,600	2,613,040
KLA Corp.	3,277,680	2,538,268
Micron Technology Inc.	23,745,774	2,462,674
Texas Instruments Inc.	10,527,272	2,174,619
* Adobe Inc.	4,198,957	2,174,136
NVIDIA Corp.	14,418,000	1,750,922
Oracle Corp.	8,807,770	1,500,844
Intel Corp.	47,355,148	1,110,952
NetApp Inc.	8,028,602	991,613
Intuit Inc.	1,135,000	704,835
Analog Devices Inc.	2,490,000	573,123
HP Inc.	13,725,716	492,341
QUALCOMM Inc.	2,728,806	464,033
Apple Inc.	1,810,000	421,730
Hewlett Packard Enterprise Co.	17,166,842	351,234
Telefonaktiebolaget LM Ericsson ADR	33,116,269	251,021
Cisco Systems Inc.	4,371,279	232,639
Entegris Inc.	1,835,622	206,562
Applied Materials Inc.	947,300	191,402
Corning Inc.	3,913,600	176,699
* Autodesk Inc.	489,200	134,765
Teradyne Inc.	857,900	114,898
* Palo Alto Networks Inc.	315,600	107,872
Broadcom Inc.	435,930	75,198
Marvell Technology Inc.	927,500	66,891
Salesforce Inc.	198,300	54,277
* Western Digital Corp.	700,000	47,803
* Gartner Inc.	70,100	35,524
* Okta Inc.	464,500	34,531
Infinion Technologies AG	943,116	33,111
Dell Technologies Inc. Class C	273,900	32,468
* Keysight Technologies Inc.	179,500	28,528
*,1 BlackBerry Ltd.	9,975,500	26,136
Jabil Inc.	213,000	25,524
* Unity Software Inc.	290,000	6,560
* Fortinet Inc.	69,450	5,386
* Arista Networks Inc.	4,000	1,535
* Nice Ltd. ADR	2,250	391
* RingCentral Inc. Class A	8,000	253
		22,214,338
Materials (1.2%)		
Glencore plc	40,673,825	232,925
Albemarle Corp.	2,174,794	205,975
DuPont de Nemours Inc.	1,969,556	175,507
Linde plc	245,300	116,974
Freeport-McMoRan Inc.	2,261,900	112,914
Dow Inc.	1,233,817	67,403
Corteva Inc.	1,099,216	64,623
		976,321
Total Common Stocks (Cost \$24,749,764)		76,891,709

PRIMECAP Fund

	Shares	Market Value* (\$000)
Temporary Cash Investments (2.0%)		
Money Market Fund (2.0%)		
^{4,5} Vanguard Market Liquidity Fund, 5.014% (Cost \$1,541,649)	15,420,203	1,542,020
Total Investments (100.1%) (Cost \$26,291,413)		78,433,729
Other Assets and Liabilities—Net (-0.1%)		(100,021)
Net Assets (100%)		78,333,708

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 \$121,678,000.

2 Considered an affiliated company of the fund as the fund owns more than 5% of the outstanding voting securities of such company.

3 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 September 30, 2024, the aggregate value was \$43,322,000, representing 0.1% of net assets.

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

5 Collateral of \$125,176,000 was received for securities on loan.

ADR—American Depositary Receipt.

Statement of Assets and Liabilities

As of September 30, 2024

(\$000s, except shares, footnotes, and per-share amounts)	Amount
Assets	
Investments in Securities, at Value ¹	
Unaffiliated Issuers (Cost \$23,532,414)	74,297,234
Affiliated Issuers (Cost \$2,758,999)	4,136,495
Total Investments in Securities	78,433,729
Investment in Vanguard	2,183
Cash	106,489
Foreign Currency, at Value (Cost \$5)	5
Receivables for Investment Securities Sold	843
Receivables for Accrued Income	82,640
Receivables for Capital Shares Issued	9,483
Total Assets	78,635,372
Liabilities	
Payables for Investment Securities Purchased	114,044
Collateral for Securities on Loan	125,176
Payables to Investment Advisor	34,225
Payables for Capital Shares Redeemed	23,334
Payables to Vanguard	4,885
Total Liabilities	301,664
Net Assets	78,333,708

¹ Includes \$121,678,000 of securities on loan.

At September 30, 2024, net assets consisted of:

Paid-in Capital	21,675,125
Total Distributable Earnings (Loss)	56,658,583
Net Assets	78,333,708
Investor Shares—Net Assets	
Applicable to 28,983,812 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	5,075,891
Net Asset Value Per Share—Investor Shares	\$175.13
Admiral™ Shares—Net Assets	
Applicable to 403,673,027 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	73,257,817
Net Asset Value Per Share—Admiral Shares	\$181.48

Statement of Operations

Year Ended
September 30, 2024
(\$000)

Investment Income	
Income	
Dividends—Unaffiliated Issuers ¹	914,904
Dividends—Affiliated Issuers	21,634
Interest—Unaffiliated Issuers	8
Interest—Affiliated Issuers	61,469
Securities Lending—Net	127
Total Income	998,142
Expenses	
Investment Advisory Fees—Note B	130,465
The Vanguard Group—Note C	
Management and Administrative—Investor Shares	9,653
Management and Administrative—Admiral Shares	84,678
Marketing and Distribution—Investor Shares	202
Marketing and Distribution—Admiral Shares	1,975
Custodian Fees	1,697
Auditing Fees	32
Shareholders' Reports and Proxy Fees—Investor Shares	70
Shareholders' Reports and Proxy Fees—Admiral Shares	205
Trustees' Fees and Expenses	48
Other Expenses	221
Total Expenses	229,246
Expenses Paid Indirectly	(68)
Net Expenses	229,178
Net Investment Income	768,964
Realized Net Gain (Loss)	
Capital Gains Distributions Received – Affiliated Issuers	6
Investment Securities Sold—Unaffiliated Issuers	4,403,535
Investment Securities Sold—Affiliated Issuers	(6,965)
Foreign Currencies	134
Realized Net Gain (Loss)	4,396,710
Change in Unrealized Appreciation (Depreciation)	
Investment Securities—Unaffiliated Issuers	13,137,346
Investment Securities—Affiliated Issuers	(729,009)
Foreign Currencies	1,126
Change in Unrealized Appreciation (Depreciation)	12,409,463
Net Increase (Decrease) in Net Assets Resulting from Operations	17,575,137

¹ Dividends are net of foreign withholding taxes of \$14,402,000.

Statement of Changes in Net Assets

	Year Ended September 30,	
	2024 (\$000)	2023 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	768,964	784,990
Realized Net Gain (Loss)	4,396,710	4,158,837
Change in Unrealized Appreciation (Depreciation)	12,409,463	10,273,895
Net Increase (Decrease) in Net Assets Resulting from Operations	17,575,137	15,217,722
Distributions		
Investor Shares	(342,044)	(408,794)
Admiral Shares	(4,449,800)	(5,062,138)
Total Distributions	(4,791,844)	(5,470,932)
Capital Share Transactions		
Investor Shares	(571,119)	(215,027)
Admiral Shares	862,243	(113,439)
Net Increase (Decrease) from Capital Share Transactions	291,124	(328,466)
Total Increase (Decrease)	13,074,417	9,418,324
Net Assets		
Beginning of Period	65,259,291	55,840,967
End of Period	78,333,708	65,259,291

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

Financial Highlights

Investor Shares

For a Share Outstanding Throughout Each Period	Year Ended September 30,				
	2024	2023	2022	2021	2020
Net Asset Value, Beginning of Period	\$147.17	\$126.26	\$168.72	\$142.86	\$133.12
Investment Operations					
Net Investment Income ¹	1.591	1.632	1.456	1.183	1.745
Net Realized and Unrealized Gain (Loss) on Investments	37.177	31.717	(27.430)	39.134	17.947
Total from Investment Operations	38.768	33.349	(25.974)	40.317	19.692
Distributions					
Dividends from Net Investment Income	(1.659)	(1.549)	(1.150)	(1.542)	(1.690)
Distributions from Realized Capital Gains	(9.149)	(10.890)	(15.336)	(12.915)	(8.262)
Total Distributions	(10.808)	(12.439)	(16.486)	(14.457)	(9.952)
Net Asset Value, End of Period	\$175.13	\$147.17	\$126.26	\$168.72	\$142.86
Total Return²	27.57%	28.06%	-17.25%	29.74%	15.05%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$5,076	\$4,762	\$4,243	\$5,878	\$5,697
Ratio of Total Expenses to Average Net Assets	0.38% ³	0.38% ³	0.38% ³	0.38%	0.38%
Ratio of Net Investment Income to Average Net Assets	0.99%	1.17%	0.95%	0.73%	1.31%
Portfolio Turnover Rate	4%	4%	3%	5%	6%

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 The ratio of expenses to average net assets for the period net of reduction from custody fee offset arrangements was 0.38%.

Financial Highlights

Admiral Shares

For a Share Outstanding Throughout Each Period	Year Ended September 30,				
	2024	2023	2022	2021	2020
Net Asset Value, Beginning of Period	\$152.51	\$130.87	\$174.92	\$148.12	\$138.02
Investment Operations					
Net Investment Income ¹	1.762	1.793	1.621	1.345	1.920
Net Realized and Unrealized Gain (Loss) on Investments	38.521	32.854	(28.426)	40.564	18.600
Total from Investment Operations	40.283	34.647	(26.805)	41.909	20.520
Distributions					
Dividends from Net Investment Income	(1.830)	(1.718)	(1.343)	(1.716)	(1.853)
Distributions from Realized Capital Gains	(9.483)	(11.289)	(15.902)	(13.393)	(8.567)
Total Distributions	(11.313)	(13.007)	(17.245)	(15.109)	(10.420)
Net Asset Value, End of Period	\$181.48	\$152.51	\$130.87	\$174.92	\$148.12
Total Return²	27.66%	28.14%	-17.19%	29.83%	15.13%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$73,258	\$60,497	\$51,598	\$68,059	\$58,626
Ratio of Total Expenses to Average Net Assets	0.31% ³	0.31% ³	0.31% ³	0.31%	0.31%
Ratio of Net Investment Income to Average Net Assets	1.06%	1.24%	1.02%	0.80%	1.39%
Portfolio Turnover Rate	4%	4%	3%	5%	6%

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 The ratio of expenses to average net assets for the period net of reduction from custody fee offset arrangements was 0.31%.

Notes to Financial Statements

Vanguard PRIMECAP Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund offers two classes of shares: Investor Shares and Admiral Shares. Each of the share classes has different eligibility and minimum purchase requirements, and is designed for different types of investors.

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. **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.

4. **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.

5. **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.

6. **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 year ended September 30, 2024, the fund did not utilize the credit facilities or the Interfund Lending Program.

7. 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 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.

Each class of shares has equal rights as to assets and earnings, except that each class separately bears certain class-specific expenses related to maintenance of shareholder accounts (included in Management and Administrative expenses), shareholder reporting, and proxy fees. Marketing and distribution expenses are allocated to each class of shares based on a method approved by the board of trustees. Income, other non-class-specific expenses, and gains and losses on investments are allocated to each class of shares based on its relative net assets.

B. PRIMECAP Management Company provides investment advisory services to the fund for a fee calculated at an annual percentage rate of average net assets. For the year ended September 30, 2024, the investment advisory fee represented an effective annual basic rate of 0.18% of the fund's average net assets.

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, and distribution 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 September 30, 2024, the fund had contributed to Vanguard capital in the amount of \$2,183,000, representing less than 0.01% of the fund's net assets and 0.87% 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's custodian bank has agreed to reduce its fees when the fund maintains cash on deposit in the non-interest-bearing custody account. For the year ended September 30, 2024, custodian fee offset arrangements reduced the fund's expenses by \$68,000 (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. 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 valued with significant unobservable inputs are noted on the Schedule of Investments.

The following table summarizes the market value of the fund's investments as of September 30, 2024, based on the inputs used to value them:

	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)	Total (\$000)
Investments				
Assets				
Common Stocks	74,086,796	2,804,913	—	76,891,709
Temporary Cash Investments	1,542,020	—	—	1,542,020
Total	75,628,816	2,804,913	—	78,433,729

F. 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 foreign currency transactions and distributions in connection with fund share redemptions were reclassified between the following accounts:

	Amount (\$000)
Paid-in Capital	156,634
Total Distributable Earnings (Loss)	(156,634)

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. 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	603,701
Undistributed Long-Term Gains	3,949,253
Net Unrealized Gains (Losses)	52,105,629
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Other Temporary Differences	—
Total	56,658,583

The tax character of distributions paid was as follows:

	Year Ended September 30,	
	2024 Amount (\$000)	2023 Amount (\$000)
Ordinary Income*	796,382	721,198
Long-Term Capital Gains	3,995,462	4,749,734
Total	4,791,844	5,470,932

* Includes short-term capital gains, if any.

As of September 30, 2024, gross unrealized appreciation and depreciation for investments based on cost for U.S. federal income tax purposes were as follows:

	Amount (\$000)
Tax Cost	26,329,217
Gross Unrealized Appreciation	55,015,229
Gross Unrealized Depreciation	(2,910,717)
Net Unrealized Appreciation (Depreciation)	52,104,512

G. During the year ended September 30, 2024, the fund purchased \$2,720,745,000 of investment securities and sold \$6,810,450,000 of investment securities, other than temporary cash investments.

H. Capital share transactions for each class of shares were:

	Year Ended September 30,			
	2024		2023	
	Amount (\$000)	Shares (000)	Amount (\$000)	Shares (000)
Investor Shares				
Issued	374,366	2,347	205,544	1,472
Issued in Lieu of Cash Distributions	324,042	2,159	388,807	3,083
Redeemed	(1,269,527)	(7,883)	(809,378)	(5,800)
Net Increase (Decrease)—Investor Shares	(571,119)	(3,377)	(215,027)	(1,245)
Admiral Shares				
Issued	2,201,007	13,110	1,725,734	12,228
Issued in Lieu of Cash Distributions	4,151,273	26,707	4,730,931	36,219
Redeemed	(5,490,037)	(32,813)	(6,570,104)	(46,041)
Net Increase (Decrease)—Admiral Shares	862,243	7,004	(113,439)	2,406

I. Certain of the fund's investments are in companies that are considered to be affiliated companies of the fund because the fund owns more than 5% of the outstanding voting securities of the company or the issuer is another member of The Vanguard Group. Transactions during the period in securities of these companies were as follows:

	Sep. 30, 2023 Market Value (\$000)	Current Period Transactions						Sep. 30, 2024 Market Value (\$000)
		Purchases at Cost (\$000)	Proceeds from Securities Sold (\$000)	Realized Net Gain (Loss) (\$000)	Change in Unrealized App. (Dep.) (\$000)	Income (\$000)	Capital Gain Distributions Received (\$000)	
Biogen Inc.	2,317,349	48,269	9,911	(2,792)	(573,502)	—	—	1,779,413
Mattel Inc.	582,822	—	23,669	(4,273)	(75,566)	—	—	479,314
Vanguard Market Liquidity Fund	1,211,327	NA ¹	NA ¹	100	103	61,469	6	1,542,020
Whirlpool Corp.	402,147	13,645	—	—	(80,044)	21,634	—	335,748
Total	4,513,645	61,914	33,580	(6,965)	(729,009)	83,103	6	4,136,495

¹ Not applicable—purchases and sales are for temporary cash investment purposes.

J. Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, 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.

K. Management has determined that no events or transactions occurred subsequent to September 30, 2024, that would require recognition or disclosure in these financial statements.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard Chester Funds and Shareholders of Vanguard PRIMECAP Fund

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Vanguard PRIMECAP Fund (one of the funds constituting Vanguard Chester Funds, referred to hereafter as the "Fund") as of September 30, 2024, the related statement of operations for the year ended September 30, 2024, the statement of changes in net assets for each of the two years in the period ended September 30, 2024, including the related notes, and the financial highlights for each of the five years in the period ended September 30, 2024 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of September 30, 2024, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended September 30, 2024 and the financial highlights for each of the five years in the period ended September 30, 2024 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of September 30, 2024 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
November 20, 2024

We have served as the auditor of one or more investment companies in The Vanguard Group of Funds since 1975.

Tax information (unaudited)

For corporate shareholders, 92.1%, or if subsequently determined to be different, the maximum percentage allowable by law, of ordinary income (dividend income plus short-term gains, if any) for the fiscal year qualified for the dividends-received deduction.

The fund hereby designates \$931,630,000, or if subsequently determined to be different, the maximum amount allowable by law, as qualified dividend income for purposes of the maximum rate under section 1(h)(11) for calendar year 2023. Shareholders will be notified in January 2025 via IRS Form 1099 of the amounts for use in preparing their 2024 income tax return.

The fund hereby designates for the fiscal year \$19,008,000, or if subsequently determined to be different, the maximum amount allowable by law, of interest earned from obligations of the U.S. government which is generally exempt from state income tax.

For nonresident alien shareholders, 100% of short-term capital gain dividends distributed by the fund for the fiscal year are qualified short-term capital gains.

The fund distributed \$4,127,606,000 as capital gain dividends (20% rate gain distributions) to shareholders during the fiscal year.

**Financial Statements
For the year ended September 30, 2024
Vanguard Target Retirement Funds**

Vanguard Target Retirement Income Fund

Vanguard Target Retirement 2020 Fund

Vanguard Target Retirement 2025 Fund

Vanguard Target Retirement 2030 Fund

Vanguard Target Retirement 2035 Fund

Vanguard Target Retirement 2040 Fund

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Financial Statements

Schedule of Investments

As of September 30, 2024

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)
Investment Companies (99.3%)		
U.S. Stock Fund (17.9%)		
Vanguard Total Stock Market Index Fund Institutional Plus Shares	25,248,936	6,530,133
International Stock Fund (12.3%)		
Vanguard Total International Stock Index Fund Investor Shares	216,396,591	4,503,213
U.S. Bond Funds (53.2%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	1,366,518,049	13,323,551
Vanguard Short-Term Inflation-Protected Securities Index Fund Admiral Shares	249,129,550	6,121,113
		19,444,664
International Bond Fund (15.9%)		
¹ Vanguard Total International Bond II Index Fund Institutional Shares	214,176,436	5,795,614
Total Investment Companies (Cost \$30,615,690)		36,273,624
Temporary Cash Investments (0.7%)		
Money Market Fund (0.7%)		
¹ Vanguard Market Liquidity Fund, 5.014% (Cost \$264,066)	2,641,597	264,160
Total Investments (100.0%) (Cost \$30,879,756)		36,537,784
Other Assets and Liabilities—Net (0.0%)		1,413
Net Assets (100%)		36,539,197

Cost is in \$000.

* See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown for Vanguard Market Liquidity Fund is the 7-day yield.

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				
10-Year U.S. Treasury Note	December 2024	1,137	129,938	151
E-mini S&P 500 Index	December 2024	462	134,309	2,855
				3,006

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

Statement of Assets and Liabilities

As of September 30, 2024

(\$000s, except shares, footnotes, and per-share amounts)	Amount
Assets	
Investments in Securities, at Value—Affiliated Funds (Cost \$30,879,756)	36,537,784
Cash Collateral Pledged—Futures Contracts	9,027
Receivables for Investment Securities Sold	12,211
Receivables for Accrued Income	89,913
Receivables for Capital Shares Issued	7,293
Variation Margin Receivable—Futures Contracts	16
Total Assets	36,656,244
Liabilities	
Payables for Investment Securities Purchased	89,910
Payables for Capital Shares Redeemed	27,137
Total Liabilities	117,047
Net Assets	36,539,197
At September 30, 2024, net assets consisted of:	
Paid-in Capital	30,128,752
Total Distributable Earnings (Loss)	6,410,445
Net Assets	36,539,197
Net Assets	
Applicable to 2,641,973,936 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	36,539,197
Net Asset Value Per Share	\$13.83

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

Statement of Operations

	Year Ended September 30, 2024
	(\$000)
Investment Income	
Income	
Income Distributions Received from Affiliated Funds	1,151,579
Net Investment Income—Note B	1,151,579
Realized Net Gain (Loss)	
Capital Gain Distributions Received from Affiliated Funds	2
Affiliated Funds Sold ¹	834,904
Futures Contracts	30,373
Realized Net Gain (Loss)	865,279
Change in Unrealized Appreciation (Depreciation)	
Affiliated Funds	3,363,109
Futures Contracts	10,826
Change in Unrealized Appreciation (Depreciation)	3,373,935
Net Increase (Decrease) in Net Assets Resulting from Operations	5,390,793

¹ Includes \$33,689,000 of net gain (loss) resulting from in-kind redemptions.

Statement of Changes in Net Assets

	Year Ended September 30,	
	2024 (\$000)	2023 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	1,151,579	972,603
Realized Net Gain (Loss)	865,279	423,805
Change in Unrealized Appreciation (Depreciation)	3,373,935	1,147,158
Net Increase (Decrease) in Net Assets Resulting from Operations	5,390,793	2,543,566
Distributions		
Total Distributions	(1,578,331)	(1,182,988)
Capital Share Transactions		
Issued	2,422,826	2,868,217
Issued in Lieu of Cash Distributions	1,524,768	1,143,309
Redeemed	(6,484,132)	(6,630,784)
Net Increase (Decrease) from Capital Share Transactions	(2,536,538)	(2,619,258)
Total Increase (Decrease)	1,275,924	(1,258,680)
Net Assets		
Beginning of Period	35,263,273	36,521,953
End of Period	36,539,197	35,263,273

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

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended September 30,				
	2024	2023	2022	2021	2020
Net Asset Value, Beginning of Period	\$12.43	\$12.00	\$15.24	\$14.54	\$13.85
Investment Operations					
Net Investment Income ¹	.422	.333	.380	.278	.308
Capital Gain Distributions Received ¹	.000 ²	.000 ²	.017	.056	—
Net Realized and Unrealized Gain (Loss) on Investments	1.560	.503	(2.381)	.887	.696
Total from Investment Operations	1.982	.836	(1.984)	1.221	1.004
Distributions					
Dividends from Net Investment Income	(.448)	(.360)	(.382)	(.256)	(.297)
Distributions from Realized Capital Gains	(.134)	(.046)	(.874)	(.265)	(.017)
Total Distributions	(.582)	(.406)	(1.256)	(.521)	(.314)
Net Asset Value, End of Period	\$13.83	\$12.43	\$12.00	\$15.24	\$14.54
Total Return³	16.22%	7.02%	-14.19%	8.48%	7.35%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$36,539	\$35,263	\$36,522	\$16,322	\$17,576
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—
Acquired Fund Fees and Expenses	0.08%	0.08%	0.09% ⁴	0.12%	0.12%
Ratio of Net Investment Income to Average Net Assets	3.21%	2.64%	2.82%	1.84%	2.19%
Portfolio Turnover Rate	4% ⁵	4% ⁵	19% ⁵	6%	17%

1 Calculated based on average shares outstanding.

2 Distribution was less than \$.001 per share.

3 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.

4 The Acquired Fund Fees and Expenses (AFFE) of 0.09% reflects the blended amount of expenses for the year ended September 30, 2022. Before the acquisition of Vanguard Institutional Target Retirement Income Fund on February 11, 2022, the AFFE was 0.12% on an annualized basis. Following the acquisition, the AFFE was 0.08% on an annualized basis and remained 0.08% following the acquisition of Vanguard Target Retirement 2015 Fund on July 8, 2022.

5 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares.

Notes to Financial Statements

Vanguard Target Retirement Income Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. and international stocks, and U.S. and international bonds. Financial statements and other information about each underlying fund are available at www.vanguard.com.

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:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Futures Contracts:** The fund uses stock and bond futures contracts to a limited extent, with the objectives of maintaining full exposure to the market and maintaining its target asset allocation. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of investments 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 year ended September 30, 2024, the fund's average investments in long and short futures contracts represented 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **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.

4. **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.

5. **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 borne by the funds in which the fund invests (see Note B). 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 year ended September 30, 2024, the fund did not utilize the credit facilities or the Interfund Lending Program.

6. **Other:** Income and capital gain distributions received are recorded on the ex-dividend 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. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution 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. The FSA provides that expenses otherwise allocable to Vanguard funds-of-funds may be reduced or eliminated to the extent of savings realized by the underlying Vanguard funds by virtue of being part of a fund-of-funds. Accordingly, all expenses for services provided by Vanguard to the fund and all other expenses incurred by the fund during the year ended September 30, 2024, were borne by the underlying Vanguard funds in which the fund invests. The fund's trustees and officers are also trustees and officers, respectively, of the underlying Vanguard funds, as well as directors and employees, respectively, of Vanguard.

C. The fund's SEC registrant (the Vanguard Chester Funds (the "Trust")), certain officers and trustees of the Trust, and The Vanguard Group Inc. (collectively, the "Defendants") were named in putative class action lawsuits filed in 2022 by certain investors (the "Plaintiffs") in the U.S. District Court for the Eastern District of Pennsylvania; these class action lawsuits were later consolidated into one action. The Plaintiffs assert claims related to their allegations that the Defendants improperly decided to lower minimum investment limits in 2020 for the Trust's Institutional Target Retirement funds for certain smaller retirement plan participants, which purportedly harmed certain investors in taxable accounts. Subject to court approval, the parties have reached an agreement in principle to settle the lawsuit. The settlement is not anticipated to have a financial impact on the Trust.

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.

At September 30, 2024, 100% of the market value of the fund's investments and derivatives was determined based on Level 1 inputs.

E. 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 in-kind redemptions and distributions in connection with fund share redemptions were reclassified between the following accounts:

	Amount (\$000)
Paid-in Capital	105,323
Total Distributable Earnings (Loss)	(105,323)

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; and the recognition of unrealized gains or losses from certain derivative contracts. 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	44,493
Undistributed Long-Term Gains	720,520
Net Unrealized Gains (Losses)	5,645,432
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Other Temporary Differences	—
Total	6,410,445

The tax character of distributions paid was as follows:

	Year Ended September 30,	
	2024 Amount (\$000)	2023 Amount (\$000)
Ordinary Income*	1,240,877	1,046,938
Long-Term Capital Gains	337,454	136,050
Total	1,578,331	1,182,988

* Includes short-term capital gains, if any.

As of September 30, 2024, 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	30,892,352
Gross Unrealized Appreciation	6,937,053
Gross Unrealized Depreciation	(1,291,621)
Net Unrealized Appreciation (Depreciation)	5,645,432

F. Capital shares issued and redeemed were:

	Year Ended September 30,	
	2024 Shares (000)	2023 Shares (000)
Issued	184,602	227,373
Issued in Lieu of Cash Distributions	115,335	92,349
Redeemed	(495,049)	(527,079)
Net Increase (Decrease) in Shares Outstanding	(195,112)	(207,357)

G. Transactions during the period in affiliated underlying Vanguard funds were as follows:

	Current Period Transactions							Sep. 30, 2024 Market Value (\$000)
	Sep. 30, 2023 Market Value (\$000)	Purchases at Cost (\$000)	Proceeds from Securities Sold ¹ (\$000)	Realized Net Gain (Loss) (\$000)	Change in Unrealized App. (Dep.) (\$000)	Income (\$000)	Capital Gain Distributions Received (\$000)	
Vanguard Market Liquidity Fund	283,342	NA ²	NA ²	20	7	13,825	2	264,160
Vanguard Short-Term Inflation-Protected Securities Index Fund	5,967,726	191,025	292,700	(12,319)	267,381	173,624	—	6,121,113
Vanguard Total Bond Market II Index Fund	13,009,696	480,402	1,126,802	(89,457)	1,049,712	472,522	—	13,323,551
Vanguard Total International Bond II Index Fund	5,685,794	274,612	457,092	(42,792)	335,092	269,737	—	5,795,614
Vanguard Total International Stock Index Fund	4,192,888	239,644	773,885	118,665	725,901	129,561	—	4,503,213
Vanguard Total Stock Market Index Fund	6,127,293	348,860	1,791,823	860,787	985,016	92,310	—	6,530,133
Total	35,266,739	1,534,543	4,442,302	834,904	3,363,109	1,151,579	2	36,537,784

1 Includes \$164,200,000 of portfolio securities delivered as a result of in-kind redemptions of the fund's capital shares.

2 Not applicable—purchases and sales are for temporary cash investment purposes.

H. Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, 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 September 30, 2024, that would require recognition or disclosure in these financial statements.

Financial Statements

Schedule of Investments

As of September 30, 2024

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)
Investment Companies (99.3%)		
U.S. Stock Fund (22.7%)		
Vanguard Total Stock Market Index Fund Institutional Plus Shares	33,262,141	8,602,588
International Stock Fund (15.4%)		
Vanguard Total International Stock Index Fund Investor Shares	280,007,822	5,826,963
U.S. Bond Funds (46.5%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	1,305,452,257	12,728,159
Vanguard Short-Term Inflation-Protected Securities Index Fund Admiral Shares	199,196,455	4,894,257
		17,622,416
International Bond Fund (14.7%)		
¹ Vanguard Total International Bond II Index Fund Institutional Shares	205,835,829	5,569,917
Total Investment Companies (Cost \$30,354,034)		37,621,884
Temporary Cash Investments (0.7%)		
Money Market Fund (0.7%)		
¹ Vanguard Market Liquidity Fund, 5.014% (Cost \$250,201)	2,502,977	250,298
Total Investments (100.0%) (Cost \$30,604,235)		37,872,182
Other Assets and Liabilities—Net (0.0%)		1,166
Net Assets (100%)		37,873,348

Cost is in \$000.

* See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown for Vanguard Market Liquidity Fund is the 7-day yield.

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				
10-Year U.S. Treasury Note	December 2024	1,090	124,567	144
E-mini S&P 500 Index	December 2024	469	136,344	2,899
				3,043

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

Statement of Assets and Liabilities

As of September 30, 2024

(\$000s, except shares, footnotes, and per-share amounts)	Amount
Assets	
Investments in Securities, at Value—Affiliated Funds (Cost \$30,604,235)	37,872,182
Cash Collateral Pledged—Futures Contracts	9,030
Receivables for Investment Securities Sold	38,151
Receivables for Accrued Income	80,132
Receivables for Capital Shares Issued	10,890
Variation Margin Receivable—Futures Contracts	45
Total Assets	38,010,430
Liabilities	
Payables for Investment Securities Purchased	80,103
Payables for Capital Shares Redeemed	56,979
Total Liabilities	137,082
Net Assets	37,873,348
At September 30, 2024, net assets consisted of:	
Paid-in Capital	28,235,164
Total Distributable Earnings (Loss)	9,638,184
Net Assets	37,873,348
Net Assets	
Applicable to 1,287,256,497 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	37,873,348
Net Asset Value Per Share	\$29.42

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

Statement of Operations

	Year Ended September 30, 2024
	(\$000)
Investment Income	
Income	
Income Distributions Received from Affiliated Funds	1,168,548
Net Investment Income—Note B	1,168,548
Realized Net Gain (Loss)	
Capital Gain Distributions Received from Affiliated Funds	2
Affiliated Funds Sold ¹	1,899,059
Futures Contracts	31,986
Realized Net Gain (Loss)	1,931,047
Change in Unrealized Appreciation (Depreciation)	
Affiliated Funds	3,226,463
Futures Contracts	13,330
Change in Unrealized Appreciation (Depreciation)	3,239,793
Net Increase (Decrease) in Net Assets Resulting from Operations	6,339,388

¹ Includes \$46,975,000 of net gain (loss) resulting from in-kind redemptions.

Statement of Changes in Net Assets

	Year Ended September 30,	
	2024 (\$000)	2023 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	1,168,548	1,014,170
Realized Net Gain (Loss)	1,931,047	1,497,398
Change in Unrealized Appreciation (Depreciation)	3,239,793	1,169,579
Net Increase (Decrease) in Net Assets Resulting from Operations	6,339,388	3,681,147
Distributions		
Total Distributions	(2,289,720)	(1,915,234)
Capital Share Transactions		
Issued	2,242,477	2,700,212
Issued in Lieu of Cash Distributions	2,242,720	1,876,931
Redeemed	(8,412,025)	(8,427,322)
Net Increase (Decrease) from Capital Share Transactions	(3,926,828)	(3,850,179)
Total Increase (Decrease)	122,840	(2,084,266)
Net Assets		
Beginning of Period	37,750,508	39,834,774
End of Period	37,873,348	37,750,508

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

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended September 30,				
	2024	2023	2022	2021	2020
Net Asset Value, Beginning of Period	\$26.42	\$25.37	\$36.04	\$33.79	\$32.24
Investment Operations					
Net Investment Income ¹	.851	.671	.725	.613	.713
Capital Gain Distributions Received ¹	.000 ²	.000 ²	.033	.110	—
Net Realized and Unrealized Gain (Loss) on Investments	3.817	1.643	(5.358)	3.680	1.987
Total from Investment Operations	4.668	2.314	(4.600)	4.403	2.700
Distributions					
Dividends from Net Investment Income	(.790)	(.654)	(.789)	(.554)	(.789)
Distributions from Realized Capital Gains	(.878)	(.610)	(5.281)	(1.599)	(.361)
Total Distributions	(1.668)	(1.264)	(6.070)	(2.153)	(1.150)
Net Asset Value, End of Period	\$29.42	\$26.42	\$25.37	\$36.04	\$33.79
Total Return³	18.25%	9.36%	-15.83%	13.37%	8.51%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$37,873	\$37,751	\$39,835	\$25,373	\$31,887
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—
Acquired Fund Fees and Expenses	0.08%	0.08%	0.09% ⁴	0.13%	0.13%
Ratio of Net Investment Income to Average Net Assets	3.09%	2.52%	2.48%	1.73%	2.21%
Portfolio Turnover Rate	4% ⁵	3% ⁵	14% ⁵	5%	19%

1 Calculated based on average shares outstanding.

2 Distribution was less than \$.001 per share.

3 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.

4 The Acquired Fund Fees and Expenses (AFFE) of 0.09% reflects the blended amount of expenses for the year ended September 30, 2022. Before the acquisition of Vanguard Institutional Target Retirement 2020 Fund on February 11, 2022, the AFFE was 0.13% on an annualized basis. Following the acquisition, the AFFE was 0.08% on an annualized basis.

5 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares.

Notes to Financial Statements

Vanguard Target Retirement 2020 Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. and international stocks, and U.S. and international bonds. Financial statements and other information about each underlying fund are available at www.vanguard.com.

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:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Futures Contracts:** The fund uses stock and bond futures contracts to a limited extent, with the objectives of maintaining full exposure to the market and maintaining its target asset allocation. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of investments 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 year ended September 30, 2024, the fund's average investments in long and short futures contracts represented 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **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.

4. **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.

5. **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 borne by the funds in which the fund invests (see Note B). 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 year ended September 30, 2024, the fund did not utilize the credit facilities or the Interfund Lending Program.

6. **Other:** Income and capital gain distributions received are recorded on the ex-dividend 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. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution 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. The FSA provides that expenses otherwise allocable to Vanguard funds-of-funds may be reduced or eliminated to the extent of savings realized by the underlying Vanguard funds by virtue of being part of a fund-of-funds. Accordingly, all expenses for services provided by Vanguard to the fund and all other expenses incurred by the fund during the year ended September 30, 2024, were borne by the underlying Vanguard funds in which the fund invests. The fund's trustees and officers are also trustees and officers, respectively, of the underlying Vanguard funds, as well as directors and employees, respectively, of Vanguard.

C. The fund's SEC registrant (the Vanguard Chester Funds (the "Trust")), certain officers and trustees of the Trust, and The Vanguard Group Inc. (collectively, the "Defendants") were named in putative class action lawsuits filed in 2022 by certain investors (the "Plaintiffs") in the U.S. District Court for the Eastern District of Pennsylvania; these class action lawsuits were later consolidated into one action. The Plaintiffs assert claims related to their allegations that the Defendants improperly decided to lower minimum investment limits in 2020 for the Trust's Institutional Target Retirement funds for certain smaller retirement plan participants, which purportedly harmed certain investors in taxable accounts. Subject to court approval, the parties have reached an agreement in principle to settle the lawsuit. The settlement is not anticipated to have a financial impact on the Trust.

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.

At September 30, 2024, 100% of the market value of the fund's investments and derivatives was determined based on Level 1 inputs.

E. 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 in-kind redemptions and distributions in connection with fund share redemptions were reclassified between the following accounts:

	Amount (\$000)
Paid-in Capital	254,077
Total Distributable Earnings (Loss)	(254,077)

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; and the recognition of unrealized gains or losses from certain derivative contracts. 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	658,944
Undistributed Long-Term Gains	1,729,511
Net Unrealized Gains (Losses)	7,249,729
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Other Temporary Differences	—
Total	9,638,184

The tax character of distributions paid was as follows:

	Year Ended September 30,	
	2024 Amount (\$000)	2023 Amount (\$000)
Ordinary Income*	1,084,058	990,842
Long-Term Capital Gains	1,205,662	924,392
Total	2,289,720	1,915,234

* Includes short-term capital gains, if any.

As of September 30, 2024, 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	30,622,453
Gross Unrealized Appreciation	8,821,573
Gross Unrealized Depreciation	(1,571,844)
Net Unrealized Appreciation (Depreciation)	7,249,729

F. Capital shares issued and redeemed were:

	Year Ended September 30,	
	2024 Shares (000)	2023 Shares (000)
Issued	81,454	101,678
Issued in Lieu of Cash Distributions	83,218	74,363
Redeemed	(306,055)	(317,822)
Net Increase (Decrease) in Shares Outstanding	(141,383)	(141,781)

G. Transactions during the period in affiliated underlying Vanguard funds were as follows:

	Current Period Transactions							Sep. 30, 2024 Market Value (\$000)
	Sep. 30, 2023 Market Value (\$000)	Purchases at Cost (\$000)	Proceeds from Securities Sold ¹ (\$000)	Realized Net Gain (Loss) (\$000)	Change in Unrealized App. (Dep.) (\$000)	Income (\$000)	Capital Gain Distributions Received (\$000)	
Vanguard Market Liquidity Fund	348,258	NA ²	NA ²	22	4	15,598	2	250,298
Vanguard Short-Term Inflation-Protected Securities Index Fund	4,451,843	276,846	32,549	(169)	198,286	135,552	—	4,894,257
Vanguard Total Bond Market II Index Fund	12,311,654	450,316	944,987	(82,018)	993,194	450,916	—	12,728,159
Vanguard Total International Bond II Index Fund	5,547,306	259,239	516,549	(59,087)	339,008	259,240	—	5,569,917
Vanguard Total International Stock Index Fund	6,117,582	250,928	1,704,863	308,425	854,891	180,133	—	5,826,963
Vanguard Total Stock Market Index Fund	8,977,444	367,903	3,315,725	1,731,886	841,080	127,109	—	8,602,588
Total	37,754,087	1,605,232	6,514,673	1,899,059	3,226,463	1,168,548	2	37,872,182

1 Includes \$177,710,000 of portfolio securities delivered as a result of in-kind redemptions of the fund's capital shares.

2 Not applicable—purchases and sales are for temporary cash investment purposes.

H. Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, 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 September 30, 2024, that would require recognition or disclosure in these financial statements.

Financial Statements

Schedule of Investments

As of September 30, 2024

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)
Investment Companies (99.4%)		
U.S. Stock Fund (31.0%)		
Vanguard Total Stock Market Index Fund Institutional Plus Shares	94,313,431	24,392,283
International Stock Fund (20.8%)		
Vanguard Total International Stock Index Fund Investor Shares	787,647,127	16,390,937
U.S. Bond Funds (35.2%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	2,317,769,324	22,598,251
Vanguard Short-Term Inflation-Protected Securities Index Fund Admiral Shares	209,156,779	5,138,981
		27,737,232
International Bond Fund (12.4%)		
¹ Vanguard Total International Bond II Index Fund Institutional Shares	359,314,346	9,723,046
Total Investment Companies (Cost \$58,199,550)		78,243,498
Temporary Cash Investments (0.6%)		
Money Market Fund (0.6%)		
¹ Vanguard Market Liquidity Fund, 5.014% (Cost \$486,300)	4,864,730	486,473
Total Investments (100.0%) (Cost \$58,685,850)		78,729,971
Other Assets and Liabilities—Net (0.0%)		24,678
Net Assets (100%)		78,754,649

Cost is in \$000.

* See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown for Vanguard Market Liquidity Fund is the 7-day yield.

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				
10-Year U.S. Treasury Note	December 2024	2,275	259,990	302
E-mini S&P 500 Index	December 2024	870	252,920	5,377
				5,679

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

Statement of Assets and Liabilities

As of September 30, 2024

(\$000s, except shares, footnotes, and per-share amounts)	Amount
Assets	
Investments in Securities, at Value—Affiliated Funds (Cost \$58,685,850)	78,729,971
Cash Collateral Pledged—Futures Contracts	17,255
Receivables for Investment Securities Sold	72,635
Receivables for Accrued Income	119,745
Receivables for Capital Shares Issued	27,152
Total Assets	78,966,758
Liabilities	
Payables for Investment Securities Purchased	119,690
Payables for Capital Shares Redeemed	92,389
Variation Margin Payable—Futures Contracts	30
Total Liabilities	212,109
Net Assets	78,754,649
At September 30, 2024, net assets consisted of:	
Paid-in Capital	54,688,373
Total Distributable Earnings (Loss)	24,066,276
Net Assets	78,754,649
Net Assets	
Applicable to 3,851,324,958 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	78,754,649
Net Asset Value Per Share	\$20.45

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

Statement of Operations

	Year Ended September 30, 2024
	(\$000)
Investment Income	
Income	
Income Distributions Received from Affiliated Funds	2,203,082
Net Investment Income—Note B	2,203,082
Realized Net Gain (Loss)	
Capital Gain Distributions Received from Affiliated Funds	5
Affiliated Funds Sold ¹	3,218,878
Futures Contracts	56,097
Realized Net Gain (Loss)	3,274,980
Change in Unrealized Appreciation (Depreciation)	
Affiliated Funds	8,985,964
Futures Contracts	28,547
Change in Unrealized Appreciation (Depreciation)	9,014,511
Net Increase (Decrease) in Net Assets Resulting from Operations	14,492,573

¹ Includes \$256,625,000 of net gain (loss) resulting from in-kind redemptions.

Statement of Changes in Net Assets

	Year Ended September 30,	
	2024 (\$000)	2023 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	2,203,082	1,762,114
Realized Net Gain (Loss)	3,274,980	1,409,551
Change in Unrealized Appreciation (Depreciation)	9,014,511	4,750,817
Net Increase (Decrease) in Net Assets Resulting from Operations	14,492,573	7,922,482
Distributions		
Total Distributions	(2,925,671)	(2,068,531)
Capital Share Transactions		
Issued	6,055,516	6,709,930
Issued in Lieu of Cash Distributions	2,869,835	2,031,053
Redeemed	(13,917,429)	(11,801,508)
Net Increase (Decrease) from Capital Share Transactions	(4,992,078)	(3,060,525)
Total Increase (Decrease)	6,574,824	2,793,426
Net Assets		
Beginning of Period	72,179,825	69,386,399
End of Period	78,754,649	72,179,825

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

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended September 30,				
	2024	2023	2022	2021	2020
Net Asset Value, Beginning of Period	\$17.55	\$16.20	\$22.84	\$20.56	\$19.34
Investment Operations					
Net Investment Income ¹	.548	.418	.413	.362	.438
Capital Gain Distributions Received ¹	.000 ²	.000 ²	.019	.063	—
Net Realized and Unrealized Gain (Loss) on Investments	3.080	1.426	(3.761)	2.792	1.292
Total from Investment Operations	3.628	1.844	(3.329)	3.217	1.730
Distributions					
Dividends from Net Investment Income	(.505)	(.368)	(.440)	(.356)	(.471)
Distributions from Realized Capital Gains	(.223)	(.126)	(2.871)	(.581)	(.039)
Total Distributions	(.728)	(.494)	(3.311)	(.937)	(.510)
Net Asset Value, End of Period	\$20.45	\$17.55	\$16.20	\$22.84	\$20.56
Total Return³	21.13%	11.56%	-17.53%	15.93%	9.04%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$78,755	\$72,180	\$69,386	\$41,268	\$46,521
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—
Acquired Fund Fees and Expenses	0.08%	0.08%	0.09% ⁴	0.13%	0.13%
Ratio of Net Investment Income to Average Net Assets	2.91%	2.39%	2.19%	1.63%	2.25%
Portfolio Turnover Rate	7% ⁵	6% ⁵	14% ⁵	7%	21%

1 Calculated based on average shares outstanding.

2 Distribution was less than \$.001 per share.

3 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.

4 The Acquired Fund Fees and Expenses (AFFE) of 0.09% reflects the blended amount of expenses for the year ended September 30, 2022. Before the acquisition of Vanguard Institutional Target Retirement 2025 Fund on February 11, 2022, the AFFE was 0.13% on an annualized basis. Following the acquisition, the AFFE was 0.08% on an annualized basis.

5 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares.

Notes to Financial Statements

Vanguard Target Retirement 2025 Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. and international stocks, and U.S. and international bonds. Financial statements and other information about each underlying fund are available at www.vanguard.com.

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:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Futures Contracts:** The fund uses stock and bond futures contracts to a limited extent, with the objectives of maintaining full exposure to the market and maintaining its target asset allocation. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of investments 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 year ended September 30, 2024, the fund's average investments in long and short futures contracts represented 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **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.

4. **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.

5. **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 borne by the funds in which the fund invests (see Note B). 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 year ended September 30, 2024, the fund did not utilize the credit facilities or the Interfund Lending Program.

6. **Other:** Income and capital gain distributions received are recorded on the ex-dividend 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. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution 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. The FSA provides that expenses otherwise allocable to Vanguard funds-of-funds may be reduced or eliminated to the extent of savings realized by the underlying Vanguard funds by virtue of being part of a fund-of-funds. Accordingly, all expenses for services provided by Vanguard to the fund and all other expenses incurred by the fund during the year ended September 30, 2024, were borne by the underlying Vanguard funds in which the fund invests. The fund's trustees and officers are also trustees and officers, respectively, of the underlying Vanguard funds, as well as directors and employees, respectively, of Vanguard.

C. The fund's SEC registrant (the Vanguard Chester Funds (the "Trust")), certain officers and trustees of the Trust, and The Vanguard Group Inc. (collectively, the "Defendants") were named in putative class action lawsuits filed in 2022 by certain investors (the "Plaintiffs") in the U.S. District Court for the Eastern District of Pennsylvania; these class action lawsuits were later consolidated into one action. The Plaintiffs assert claims related to their allegations that the Defendants improperly decided to lower minimum investment limits in 2020 for the Trust's Institutional Target Retirement funds for certain smaller retirement plan participants, which purportedly harmed certain investors in taxable accounts. Subject to court approval, the parties have reached an agreement in principle to settle the lawsuit. The settlement is not anticipated to have a financial impact on the Trust.

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.

At September 30, 2024, 100% of the market value of the fund's investments and derivatives was determined based on Level 1 inputs.

E. 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 in-kind redemptions and distributions in connection with fund share redemptions were reclassified between the following accounts:

	Amount (\$000)
Paid-in Capital	534,418
Total Distributable Earnings (Loss)	(534,418)

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; and the recognition of unrealized gains or losses from certain derivative contracts. 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	1,294,022
Undistributed Long-Term Gains	2,804,452
Net Unrealized Gains (Losses)	19,967,802
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Other Temporary Differences	—
Total	24,066,276

The tax character of distributions paid was as follows:

	Year Ended September 30,	
	2024 Amount (\$000)	2023 Amount (\$000)
Ordinary Income*	2,028,705	1,541,167
Long-Term Capital Gains	896,966	527,364
Total	2,925,671	2,068,531

* Includes short-term capital gains, if any.

As of September 30, 2024, 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	58,762,169
Gross Unrealized Appreciation	22,879,795
Gross Unrealized Depreciation	(2,911,993)
Net Unrealized Appreciation (Depreciation)	19,967,802

F. Capital shares issued and redeemed were:

	Year Ended September 30,	
	2024 Shares (000)	2023 Shares (000)
Issued	321,666	383,880
Issued in Lieu of Cash Distributions	155,715	122,574
Redeemed	(739,265)	(677,360)
Net Increase (Decrease) in Shares Outstanding	(261,884)	(170,906)

G. Transactions during the period in affiliated underlying Vanguard funds were as follows:

	Current Period Transactions							Sep. 30, 2024 Market Value (\$000)
	Sep. 30, 2023 Market Value (\$000)	Purchases at Cost (\$000)	Proceeds from Securities Sold ¹ (\$000)	Realized Net Gain (Loss) (\$000)	Change in Unrealized App. (Dep.) (\$000)	Income (\$000)	Capital Gain Distributions Received (\$000)	
Vanguard Market Liquidity Fund	850,233	NA ²	NA ²	57	11	37,083	5	486,473
Vanguard Short-Term Inflation-Protected Securities Index Fund	3,472,304	1,526,975	45,873	1,189	184,386	128,068	—	5,138,981
Vanguard Total Bond Market II Index Fund	20,404,221	1,620,014	987,605	(65,803)	1,627,424	771,603	—	22,598,251
Vanguard Total International Bond II Index Fund	9,039,251	521,546	318,150	(12,363)	492,762	437,984	—	9,723,046
Vanguard Total International Stock Index Fund	15,529,970	558,396	2,797,595	293,910	2,806,256	481,037	—	16,390,937
Vanguard Total Stock Market Index Fund	22,888,304	665,778	6,038,812	3,001,888	3,875,125	347,307	—	24,392,283
Total	72,184,283	4,892,709	10,188,035	3,218,878	8,985,964	2,203,082	5	78,729,971

¹ Includes \$750,680,000 of portfolio securities delivered as a result of in-kind redemptions of the fund's capital shares.

² Not applicable—purchases and sales are for temporary cash investment purposes.

H. Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, 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 September 30, 2024, that would require recognition or disclosure in these financial statements.

Financial Statements

Schedule of Investments

As of September 30, 2024

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)
Investment Companies (99.4%)		
U.S. Stock Fund (36.7%)		
Vanguard Total Stock Market Index Fund Institutional Plus Shares	140,574,395	36,356,756
International Stock Fund (24.8%)		
Vanguard Total International Stock Index Fund Investor Shares	1,177,153,813	24,496,571
U.S. Bond Fund (26.6%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	2,704,830,883	26,372,101
International Bond Fund (11.3%)		
¹ Vanguard Total International Bond II Index Fund Institutional Shares	414,406,874	11,213,850
Total Investment Companies (Cost \$70,816,329)		98,439,278
Temporary Cash Investments (0.6%)		
Money Market Fund (0.6%)		
¹ Vanguard Market Liquidity Fund, 5.014% (Cost \$593,995)	5,941,950	594,195
Total Investments (100.0%) (Cost \$71,410,324)		99,033,473
Other Assets and Liabilities—Net (0.0%)		24,909
Net Assets (100%)		99,058,382

Cost is in \$000.

* See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown for Vanguard Market Liquidity Fund is the 7-day yield.

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			
10-Year U.S. Treasury Note	December 2024	2,678	306,045
E-mini S&P 500 Index	December 2024	1,071	311,353
			6,974

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

Statement of Assets and Liabilities

As of September 30, 2024

(\$000s, except shares, footnotes, and per-share amounts)	Amount
Assets	
Investments in Securities, at Value—Affiliated Funds (Cost \$71,410,324)	99,033,473
Cash Collateral Pledged—Futures Contracts	20,995
Receivables for Investment Securities Sold	53,767
Receivables for Accrued Income	101,758
Receivables for Capital Shares Issued	49,226
Variation Margin Receivable—Futures Contracts	18
Total Assets	99,259,237
Liabilities	
Payables for Investment Securities Purchased	101,674
Payables for Capital Shares Redeemed	99,181
Total Liabilities	200,855
Net Assets	99,058,382
At September 30, 2024, net assets consisted of:	
Paid-in Capital	69,376,946
Total Distributable Earnings (Loss)	29,681,436
Net Assets	99,058,382
Net Assets	
Applicable to 2,480,894,497 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	99,058,382
Net Asset Value Per Share	\$39.93

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

Statement of Operations

	Year Ended September 30, 2024
	(\$000)
Investment Income	
Income	
Income Distributions Received from Affiliated Funds	2,510,656
Net Investment Income—Note B	2,510,656
Realized Net Gain (Loss)	
Capital Gain Distributions Received from Affiliated Funds	6
Affiliated Funds Sold ¹	1,050,761
Futures Contracts	69,322
Realized Net Gain (Loss)	1,120,089
Change in Unrealized Appreciation (Depreciation)	
Affiliated Funds	15,152,314
Futures Contracts	30,322
Change in Unrealized Appreciation (Depreciation)	15,182,636
Net Increase (Decrease) in Net Assets Resulting from Operations	18,813,381

¹ Includes \$403,118,000 of net gain (loss) resulting from in-kind redemptions.

Statement of Changes in Net Assets

	Year Ended September 30,	
	2024 (\$000)	2023 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	2,510,656	1,859,970
Realized Net Gain (Loss)	1,120,089	610,299
Change in Unrealized Appreciation (Depreciation)	15,182,636	6,928,523
Net Increase (Decrease) in Net Assets Resulting from Operations	18,813,381	9,398,792
Distributions		
Total Distributions	(2,243,420)	(1,883,769)
Capital Share Transactions		
Issued	10,662,275	10,157,450
Issued in Lieu of Cash Distributions	2,206,276	1,854,906
Redeemed	(11,933,760)	(10,089,296)
Net Increase (Decrease) from Capital Share Transactions	934,791	1,923,060
Total Increase (Decrease)	17,504,752	9,438,083
Net Assets		
Beginning of Period	81,553,630	72,115,547
End of Period	99,058,382	81,553,630

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

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended September 30,				
	2024	2023	2022	2021	2020
Net Asset Value, Beginning of Period	\$33.23	\$30.12	\$43.40	\$37.63	\$35.22
Investment Operations					
Net Investment Income ¹	1.011	.767	.730	.679	.782
Capital Gain Distributions Received ¹	.000 ²	.000 ²	.028	.098	—
Net Realized and Unrealized Gain (Loss) on Investments	6.609	3.137	(7.291)	6.031	2.495
Total from Investment Operations	7.620	3.904	(6.533)	6.808	3.277
Distributions					
Dividends from Net Investment Income	(.920)	(.643)	(.822)	(.661)	(.867)
Distributions from Realized Capital Gains	—	(.151)	(5.925)	(.377)	—
Total Distributions	(.920)	(.794)	(6.747)	(1.038)	(.867)
Net Asset Value, End of Period	\$39.93	\$33.23	\$30.12	\$43.40	\$37.63
Total Return³	23.27%	13.14%	-18.42%	18.29%	9.38%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$99,058	\$81,554	\$72,116	\$36,946	\$42,285
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—
Acquired Fund Fees and Expenses	0.08%	0.08%	0.09% ⁴	0.13%	0.14%
Ratio of Net Investment Income to Average Net Assets	2.78%	2.32%	2.07%	1.62%	2.20%
Portfolio Turnover Rate	7% ⁵	3% ⁵	11% ⁵	6%	21%

1 Calculated based on average shares outstanding.

2 Distribution was less than \$.001 per share.

3 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.

4 The Acquired Fund Fees and Expenses (AFFE) of 0.09% reflects the blended amount of expenses for the year ended September 30, 2022. Before the acquisition of Vanguard Institutional Target Retirement 2030 Fund on February 11, 2022, the AFFE was 0.13% on an annualized basis. Following the acquisition, the AFFE was 0.08% on an annualized basis.

5 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares.

Notes to Financial Statements

Vanguard Target Retirement 2030 Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. and international stocks, and U.S. and international bonds. Financial statements and other information about each underlying fund are available at www.vanguard.com.

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:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Futures Contracts:** The fund uses stock and bond futures contracts to a limited extent, with the objectives of maintaining full exposure to the market and maintaining its target asset allocation. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of investments 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 year ended September 30, 2024, the fund's average investments in long and short futures contracts represented 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **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.

4. **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.

5. **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 borne by the funds in which the fund invests (see Note B). 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 year ended September 30, 2024, the fund did not utilize the credit facilities or the Interfund Lending Program.

6. **Other:** Income and capital gain distributions received are recorded on the ex-dividend 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. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution 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. The FSA provides that expenses otherwise allocable to Vanguard funds-of-funds may be reduced or eliminated to the extent of savings realized by the underlying Vanguard funds by virtue of being part of a fund-of-funds. Accordingly, all expenses for services provided by Vanguard to the fund and all other expenses incurred by the fund during the year ended September 30, 2024, were borne by the underlying Vanguard funds in which the fund invests. The fund's trustees and officers are also trustees and officers, respectively, of the underlying Vanguard funds, as well as directors and employees, respectively, of Vanguard.

C. The fund's SEC registrant (the Vanguard Chester Funds (the "Trust")), certain officers and trustees of the Trust, and The Vanguard Group Inc. (collectively, the "Defendants") were named in putative class action lawsuits filed in 2022 by certain investors (the "Plaintiffs") in the U.S. District Court for the Eastern District of Pennsylvania; these class action lawsuits were later consolidated into one action. The Plaintiffs assert claims related to their allegations that the Defendants improperly decided to lower minimum investment limits in 2020 for the Trust's Institutional Target Retirement funds for certain smaller retirement plan participants, which purportedly harmed certain investors in taxable accounts. Subject to court approval, the parties have reached an agreement in principle to settle the lawsuit. The settlement is not anticipated to have a financial impact on the Trust.

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.

At September 30, 2024, 100% of the market value of the fund's investments and derivatives was determined based on Level 1 inputs.

E. 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 in-kind redemptions and distributions in connection with fund share redemptions were reclassified between the following accounts:

	Amount (\$000)
Paid-in Capital	477,134
Total Distributable Earnings (Loss)	(477,134)

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; and the recognition of unrealized gains or losses from certain derivative contracts. 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	1,560,754
Undistributed Long-Term Gains	633,601
Net Unrealized Gains (Losses)	27,487,081
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Other Temporary Differences	—
Total	29,681,436

The tax character of distributions paid was as follows:

	Year Ended September 30,	
	2024 Amount (\$000)	2023 Amount (\$000)
Ordinary Income*	2,243,420	1,534,433
Long-Term Capital Gains	—	349,336
Total	2,243,420	1,883,769

* Includes short-term capital gains, if any.

As of September 30, 2024, 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	71,546,392
Gross Unrealized Appreciation	30,355,549
Gross Unrealized Depreciation	(2,868,468)
Net Unrealized Appreciation (Depreciation)	27,487,081

F. Capital shares issued and redeemed were:

	Year Ended September 30,	
	2024 Shares (000)	2023 Shares (000)
Issued	293,166	307,590
Issued in Lieu of Cash Distributions	62,026	59,567
Redeemed	(328,357)	(307,233)
Net Increase (Decrease) in Shares Outstanding	26,835	59,924

G. Transactions during the period in affiliated underlying Vanguard funds were as follows:

	Current Period Transactions							Sep. 30, 2024 Market Value (\$000)
	Sep. 30, 2023 Market Value (\$000)	Purchases at Cost (\$000)	Proceeds from Securities Sold ¹ (\$000)	Realized Net Gain (Loss) (\$000)	Change in Unrealized App. (Dep.) (\$000)	Income (\$000)	Capital Gain Distributions Received (\$000)	
Vanguard Market Liquidity Fund	814,547	NA ²	NA ²	47	36	42,243	6	594,195
Vanguard Total Bond Market II Index Fund	20,775,602	4,699,059	803,448	(44,679)	1,745,567	842,372	—	26,372,101
Vanguard Total International Bond II Index Fund	9,013,314	1,834,026	149,988	(679)	517,177	462,470	—	11,213,850
Vanguard Total International Stock Index Fund	20,169,055	1,096,703	1,086,626	73,048	4,244,391	666,480	—	24,496,571
Vanguard Total Stock Market Index Fund	30,787,513	777,259	4,876,183	1,023,024	8,645,143	497,091	—	36,356,756
Total	81,560,031	8,407,047	6,916,245	1,050,761	15,152,314	2,510,656	6	99,033,473

¹ Includes \$1,018,730,000 of portfolio securities delivered as a result of in-kind redemptions of the fund's capital shares.

² Not applicable—purchases and sales are for temporary cash investment purposes.

H. Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, 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 September 30, 2024, that would require recognition or disclosure in these financial statements.

Financial Statements

Schedule of Investments

As of September 30, 2024

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)
Investment Companies (99.4%)		
U.S. Stock Fund (41.4%)		
Vanguard Total Stock Market Index Fund Institutional Plus Shares	166,597,775	43,087,182
International Stock Fund (27.6%)		
Vanguard Total International Stock Index Fund Investor Shares	1,381,250,456	28,743,822
U.S. Bond Fund (21.3%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	2,281,255,223	22,242,238
International Bond Fund (9.1%)		
¹ Vanguard Total International Bond II Index Fund Institutional Shares	349,765,876	9,464,665
Total Investment Companies (Cost \$71,249,549)		103,537,907
Temporary Cash Investments (0.6%)		
Money Market Fund (0.6%)		
¹ Vanguard Market Liquidity Fund, 5.014% (Cost \$618,819)	6,190,185	619,019
Total Investments (100.0%) (Cost \$71,868,368)		104,156,926
Other Assets and Liabilities—Net (0.0%)		22,535
Net Assets (100%)		104,179,461

Cost is in \$000.

* See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown for Vanguard Market Liquidity Fund is the 7-day yield.

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				
10-Year U.S. Treasury Note	December 2024	2,746	313,816	364
E-mini S&P 500 Index	December 2024	1,115	324,145	6,891
				7,255

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

Statement of Assets and Liabilities

As of September 30, 2024

(\$000s, except shares, footnotes, and per-share amounts)	Amount
Assets	
Investments in Securities, at Value—Affiliated Funds (Cost \$71,868,368)	104,156,926
Cash Collateral Pledged—Futures Contracts	21,775
Receivables for Investment Securities Sold	49,636
Receivables for Accrued Income	86,070
Receivables for Capital Shares Issued	50,928
Variation Margin Receivable—Futures Contracts	38
Total Assets	104,365,373
Liabilities	
Payables for Investment Securities Purchased	86,015
Payables for Capital Shares Redeemed	99,897
Total Liabilities	185,912
Net Assets	104,179,461
At September 30, 2024, net assets consisted of:	
Paid-in Capital	70,050,314
Total Distributable Earnings (Loss)	34,129,147
Net Assets	104,179,461
Net Assets	
Applicable to 4,145,024,400 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	104,179,461
Net Asset Value Per Share	\$25.13

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

Statement of Operations

	Year Ended September 30, 2024
	(\$000)
Investment Income	
Income	
Income Distributions Received from Affiliated Funds	2,463,259
Net Investment Income—Note B	2,463,259
Realized Net Gain (Loss)	
Capital Gain Distributions Received from Affiliated Funds	6
Affiliated Funds Sold ¹	918,521
Futures Contracts	87,117
Realized Net Gain (Loss)	1,005,644
Change in Unrealized Appreciation (Depreciation)	
Affiliated Funds	17,061,449
Futures Contracts	35,118
Change in Unrealized Appreciation (Depreciation)	17,096,567
Net Increase (Decrease) in Net Assets Resulting from Operations	20,565,470

¹ Includes \$536,314,000 of net gain (loss) resulting from in-kind redemptions.

Statement of Changes in Net Assets

	Year Ended September 30,	
	2024 (\$000)	2023 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	2,463,259	1,835,942
Realized Net Gain (Loss)	1,005,644	781,472
Change in Unrealized Appreciation (Depreciation)	17,096,567	7,590,148
Net Increase (Decrease) in Net Assets Resulting from Operations	20,565,470	10,207,562
Distributions		
Total Distributions	(2,189,745)	(1,976,113)
Capital Share Transactions		
Issued	11,467,634	10,669,339
Issued in Lieu of Cash Distributions	2,156,718	1,946,584
Redeemed	(10,185,189)	(8,732,751)
Net Increase (Decrease) from Capital Share Transactions	3,439,163	3,883,172
Total Increase (Decrease)	21,814,888	12,114,621
Net Assets		
Beginning of Period	82,364,573	70,249,952
End of Period	104,179,461	82,364,573

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

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended September 30,				
	2024	2023	2022	2021	2020
Net Asset Value, Beginning of Period	\$20.64	\$18.50	\$27.25	\$23.16	\$21.60
Investment Operations					
Net Investment Income ¹	.601	.471	.455	.430	.470
Capital Gain Distributions Received ¹	.000 ²	.000 ²	.014	.046	—
Net Realized and Unrealized Gain (Loss) on Investments	4.437	2.192	(4.566)	4.244	1.614
Total from Investment Operations	5.038	2.663	(4.097)	4.720	2.084
Distributions					
Dividends from Net Investment Income	(.548)	(.402)	(.559)	(.409)	(.524)
Distributions from Realized Capital Gains	—	(.121)	(4.094)	(.221)	—
Total Distributions	(.548)	(.523)	(4.653)	(.630)	(.524)
Net Asset Value, End of Period	\$25.13	\$20.64	\$18.50	\$27.25	\$23.16
Total Return³	24.76%	14.61%	-18.87%	20.60%	9.71%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$104,179	\$82,365	\$70,250	\$37,822	\$40,597
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—
Acquired Fund Fees and Expenses	0.08%	0.08%	0.09% ⁴	0.14%	0.14%
Ratio of Net Investment Income to Average Net Assets	2.64%	2.30%	2.08%	1.64%	2.15%
Portfolio Turnover Rate	4% ⁵	1% ⁵	9% ⁵	6%	18%

1 Calculated based on average shares outstanding.

2 Distribution was less than \$.001 per share.

3 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.

4 The Acquired Fund Fees and Expenses (AFFE) of 0.09% reflects the blended amount of expenses for the year ended September 30, 2022. Before the acquisition of Vanguard Institutional Target Retirement 2035 Fund on February 11, 2022, the AFFE was 0.14% on an annualized basis. Following the acquisition, the AFFE was 0.08% on an annualized basis.

5 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares.

Notes to Financial Statements

Vanguard Target Retirement 2035 Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. and international stocks, and U.S. and international bonds. Financial statements and other information about each underlying fund are available at www.vanguard.com.

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:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Futures Contracts:** The fund uses stock and bond futures contracts to a limited extent, with the objectives of maintaining full exposure to the market and maintaining its target asset allocation. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of investments 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 year ended September 30, 2024, the fund's average investments in long and short futures contracts represented 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **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.

4. **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.

5. **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 borne by the funds in which the fund invests (see Note B). 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 year ended September 30, 2024, the fund did not utilize the credit facilities or the Interfund Lending Program.

6. **Other:** Income and capital gain distributions received are recorded on the ex-dividend 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. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution 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. The FSA provides that expenses otherwise allocable to Vanguard funds-of-funds may be reduced or eliminated to the extent of savings realized by the underlying Vanguard funds by virtue of being part of a fund-of-funds. Accordingly, all expenses for services provided by Vanguard to the fund and all other expenses incurred by the fund during the year ended September 30, 2024, were borne by the underlying Vanguard funds in which the fund invests. The fund's trustees and officers are also trustees and officers, respectively, of the underlying Vanguard funds, as well as directors and employees, respectively, of Vanguard.

C. The fund's SEC registrant (the Vanguard Chester Funds (the "Trust")), certain officers and trustees of the Trust, and The Vanguard Group Inc. (collectively, the "Defendants") were named in putative class action lawsuits filed in 2022 by certain investors (the "Plaintiffs") in the U.S. District Court for the Eastern District of Pennsylvania; these class action lawsuits were later consolidated into one action. The Plaintiffs assert claims related to their allegations that the Defendants improperly decided to lower minimum investment limits in 2020 for the Trust's Institutional Target Retirement funds for certain smaller retirement plan participants, which purportedly harmed certain investors in taxable accounts. Subject to court approval, the parties have reached an agreement in principle to settle the lawsuit. The settlement is not anticipated to have a financial impact on the Trust.

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.

At September 30, 2024, 100% of the market value of the fund's investments and derivatives was determined based on Level 1 inputs.

E. 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 in-kind redemptions and distributions in connection with fund share redemptions were reclassified between the following accounts:

	Amount (\$000)
Paid-in Capital	584,735
Total Distributable Earnings (Loss)	(584,735)

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; and the recognition of unrealized gains or losses from certain derivative contracts. 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	1,516,507
Undistributed Long-Term Gains	429,903
Net Unrealized Gains (Losses)	32,182,737
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Other Temporary Differences	—
Total	34,129,147

The tax character of distributions paid was as follows:

	Year Ended September 30,	
	2024 Amount (\$000)	2023 Amount (\$000)
Ordinary Income*	2,189,745	1,518,471
Long-Term Capital Gains	—	457,642
Total	2,189,745	1,976,113

* Includes short-term capital gains, if any.

As of September 30, 2024, 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	71,974,189
Gross Unrealized Appreciation	34,447,534
Gross Unrealized Depreciation	(2,264,797)
Net Unrealized Appreciation (Depreciation)	32,182,737

F. Capital shares issued and redeemed were:

	Year Ended September 30,	
	2024 Shares (000)	2023 Shares (000)
Issued	504,125	521,644
Issued in Lieu of Cash Distributions	97,237	101,437
Redeemed	(447,783)	(429,813)
Net Increase (Decrease) in Shares Outstanding	153,579	193,268

G. Transactions during the period in affiliated underlying Vanguard funds were as follows:

	Current Period Transactions							Sep. 30, 2024 Market Value (\$000)
	Sep. 30, 2023 Market Value (\$000)	Purchases at Cost (\$000)	Proceeds from Securities Sold ¹ (\$000)	Realized Net Gain (Loss) (\$000)	Change in Unrealized App. (Dep.) (\$000)	Income (\$000)	Capital Gain Distributions Received (\$000)	
Vanguard Market Liquidity Fund	912,183	NA ²	NA ²	52	28	45,797	6	619,019
Vanguard Total Bond Market II Index Fund	16,717,264	4,651,616	526,641	(787)	1,400,786	693,870	—	22,242,238
Vanguard Total International Bond II Index Fund	7,302,310	1,857,240	123,085	2,737	425,463	379,510	—	9,464,665
Vanguard Total International Stock Index Fund	22,548,234	1,687,985	428,351	102,276	4,833,678	760,795	—	28,743,822
Vanguard Total Stock Market Index Fund	34,890,772	592,145	3,611,472	814,243	10,401,494	583,287	—	43,087,182
Total	82,370,763	8,788,986	4,689,549	918,521	17,061,449	2,463,259	6	104,156,926

1 Includes \$1,217,400,000 of portfolio securities delivered as a result of in-kind redemptions of the fund's capital shares.

2 Not applicable—purchases and sales are for temporary cash investment purposes.

H. Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, 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 September 30, 2024, that would require recognition or disclosure in these financial statements.

Financial Statements

Schedule of Investments

As of September 30, 2024

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)
Investment Companies (99.4%)		
U.S. Stock Fund (46.3%)		
Vanguard Total Stock Market Index Fund Institutional Plus Shares	166,674,512	43,107,029
International Stock Fund (30.2%)		
Vanguard Total International Stock Index Fund Investor Shares	1,348,545,483	28,063,231
U.S. Bond Fund (16.0%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	1,527,766,111	14,895,720
International Bond Fund (6.9%)		
¹ Vanguard Total International Bond II Index Fund Institutional Shares	238,084,881	6,442,577
Total Investment Companies (Cost \$62,295,640)		92,508,557
Temporary Cash Investments (0.6%)		
Money Market Fund (0.6%)		
¹ Vanguard Market Liquidity Fund, 5.014% (Cost \$589,869)	5,900,464	590,047
Total Investments (100.0%) (Cost \$62,885,509)		93,098,604
Other Assets and Liabilities—Net (0.0%)		16,198
Net Assets (100%)		93,114,802

Cost is in \$000.

* See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown for Vanguard Market Liquidity Fund is the 7-day yield.

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				
10-Year U.S. Treasury Note	December 2024	2,454	280,446	326
E-mini S&P 500 Index	December 2024	1,126	327,342	6,959
				7,285

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

Statement of Assets and Liabilities

As of September 30, 2024

(\$000s, except shares, footnotes, and per-share amounts)	Amount
Assets	
Investments in Securities, at Value—Affiliated Funds (Cost \$62,885,509)	93,098,604
Cash Collateral Pledged—Futures Contracts	21,355
Receivables for Investment Securities Sold	8,287
Receivables for Accrued Income	58,944
Receivables for Capital Shares Issued	50,932
Variation Margin Receivable—Futures Contracts	183
Total Assets	93,238,305
Liabilities	
Payables for Investment Securities Purchased	58,920
Payables for Capital Shares Redeemed	64,583
Total Liabilities	123,503
Net Assets	93,114,802
At September 30, 2024, net assets consisted of:	
Paid-in Capital	61,602,484
Total Distributable Earnings (Loss)	31,512,318
Net Assets	93,114,802
Net Assets	
Applicable to 2,067,489,679 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	93,114,802
Net Asset Value Per Share	\$45.04

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

Statement of Operations

	Year Ended September 30, 2024
	(\$000)
Investment Income	
Income	
Income Distributions Received from Affiliated Funds	2,067,134
Net Investment Income—Note B	2,067,134
Realized Net Gain (Loss)	
Capital Gain Distributions Received from Affiliated Funds	4
Affiliated Funds Sold ¹	603,183
Futures Contracts	66,345
Realized Net Gain (Loss)	669,532
Change in Unrealized Appreciation (Depreciation)	
Affiliated Funds	16,402,715
Futures Contracts	29,341
Change in Unrealized Appreciation (Depreciation)	16,432,056
Net Increase (Decrease) in Net Assets Resulting from Operations	19,168,722

¹ Includes \$485,408,000 of net gain (loss) resulting from in-kind redemptions.

Statement of Changes in Net Assets

	Year Ended September 30,	
	2024 (\$000)	2023 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	2,067,134	1,580,870
Realized Net Gain (Loss)	669,532	812,659
Change in Unrealized Appreciation (Depreciation)	16,432,056	7,324,732
Net Increase (Decrease) in Net Assets Resulting from Operations	19,168,722	9,718,261
Distributions		
Total Distributions	(1,851,778)	(1,648,245)
Capital Share Transactions		
Issued	10,590,366	9,888,244
Issued in Lieu of Cash Distributions	1,824,415	1,625,528
Redeemed	(8,782,179)	(7,781,857)
Net Increase (Decrease) from Capital Share Transactions	3,632,602	3,731,915
Total Increase (Decrease)	20,949,546	11,801,931
Net Assets		
Beginning of Period	72,165,256	60,363,325
End of Period	93,114,802	72,165,256

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

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended September 30,				
	2024	2023	2022	2021	2020
Net Asset Value, Beginning of Period	\$36.50	\$32.25	\$48.29	\$40.07	\$37.27
Investment Operations					
Net Investment Income ¹	1.017	.821	.797	.764	.799
Capital Gain Distributions Received ¹	.000 ²	.000 ²	.017	.057	—
Net Realized and Unrealized Gain (Loss) on Investments	8.459	4.315	(8.162)	8.312	2.892
Total from Investment Operations	9.476	5.136	(7.348)	9.133	3.691
Distributions					
Dividends from Net Investment Income	(.936)	(.714)	(1.003)	(.719)	(.891)
Distributions from Realized Capital Gains	—	(.172)	(7.689)	(.194)	—
Total Distributions	(.936)	(.886)	(8.692)	(.913)	(.891)
Net Asset Value, End of Period	\$45.04	\$36.50	\$32.25	\$48.29	\$40.07
Total Return³	26.33%	16.15%	-19.42%	23.00%	9.96%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$93,115	\$72,165	\$60,363	\$29,084	\$32,404
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—
Acquired Fund Fees and Expenses	0.08%	0.08%	0.09% ⁴	0.14%	0.14%
Ratio of Net Investment Income to Average Net Assets	2.50%	2.27%	2.08%	1.66%	2.12%
Portfolio Turnover Rate	2% ⁵	1% ⁵	7% ⁵	5%	13%

1 Calculated based on average shares outstanding.

2 Distribution was less than \$.001 per share.

3 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.

4 The Acquired Fund Fees and Expenses (AFFE) of 0.09% reflects the blended amount of expenses for the year ended September 30, 2022. Before the acquisition of Vanguard Institutional Target Retirement 2040 Fund on February 11, 2022, the AFFE was 0.14% on an annualized basis. Following the acquisition, the AFFE was 0.08% on an annualized basis.

5 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares.

Notes to Financial Statements

Vanguard Target Retirement 2040 Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. and international stocks, and U.S. and international bonds. Financial statements and other information about each underlying fund are available at www.vanguard.com.

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:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Futures Contracts:** The fund uses stock and bond futures contracts to a limited extent, with the objectives of maintaining full exposure to the market and maintaining its target asset allocation. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of investments 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 year ended September 30, 2024, the fund's average investments in long and short futures contracts represented 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **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.

4. **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.

5. **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 borne by the funds in which the fund invests (see Note B). 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 year ended September 30, 2024, the fund did not utilize the credit facilities or the Interfund Lending Program.

6. **Other:** Income and capital gain distributions received are recorded on the ex-dividend 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. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution 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. The FSA provides that expenses otherwise allocable to Vanguard funds-of-funds may be reduced or eliminated to the extent of savings realized by the underlying Vanguard funds by virtue of being part of a fund-of-funds. Accordingly, all expenses for services provided by Vanguard to the fund and all other expenses incurred by the fund during the year ended September 30, 2024, were borne by the underlying Vanguard funds in which the fund invests. The fund's trustees and officers are also trustees and officers, respectively, of the underlying Vanguard funds, as well as directors and employees, respectively, of Vanguard.

C. The fund's SEC registrant (the Vanguard Chester Funds (the "Trust")), certain officers and trustees of the Trust, and The Vanguard Group Inc. (collectively, the "Defendants") were named in putative class action lawsuits filed in 2022 by certain investors (the "Plaintiffs") in the U.S. District Court for the Eastern District of Pennsylvania; these class action lawsuits were later consolidated into one action. The Plaintiffs assert claims related to their allegations that the Defendants improperly decided to lower minimum investment limits in 2020 for the Trust's Institutional Target Retirement funds for certain smaller retirement plan participants, which purportedly harmed certain investors in taxable accounts. Subject to court approval, the parties have reached an agreement in principle to settle the lawsuit. The settlement is not anticipated to have a financial impact on the Trust.

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.

At September 30, 2024, 100% of the market value of the fund's investments and derivatives was determined based on Level 1 inputs.

E. 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 in-kind redemptions and distributions in connection with fund share redemptions were reclassified between the following accounts:

	Amount (\$000)
Paid-in Capital	515,127
Total Distributable Earnings (Loss)	(515,127)

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; and the recognition of unrealized gains or losses from certain derivative contracts. 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	1,292,136
Undistributed Long-Term Gains	140,634
Net Unrealized Gains (Losses)	30,079,548
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Other Temporary Differences	—
Total	31,512,318

The tax character of distributions paid was as follows:

	Year Ended September 30,	
	2024 Amount (\$000)	2023 Amount (\$000)
Ordinary Income*	1,851,778	1,327,883
Long-Term Capital Gains	—	320,362
Total	1,851,778	1,648,245

* Includes short-term capital gains, if any.

As of September 30, 2024, 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	63,019,056
Gross Unrealized Appreciation	31,578,975
Gross Unrealized Depreciation	(1,499,427)
Net Unrealized Appreciation (Depreciation)	30,079,548

F. Capital shares issued and redeemed were:

	Year Ended September 30,	
	2024 Shares (000)	2023 Shares (000)
Issued	261,232	274,531
Issued in Lieu of Cash Distributions	46,328	48,264
Redeemed	(217,148)	(217,354)
Net Increase (Decrease) in Shares Outstanding	90,412	105,441

G. Transactions during the period in affiliated underlying Vanguard funds were as follows:

	Current Period Transactions							Sep. 30, 2024 Market Value (\$000)
	Sep. 30, 2023 Market Value (\$000)	Purchases at Cost (\$000)	Proceeds from Securities Sold ¹ (\$000)	Realized Net Gain (Loss) (\$000)	Change in Unrealized App. (Dep.) (\$000)	Income (\$000)	Capital Gain Distributions Received (\$000)	
Vanguard Market Liquidity Fund	742,525	NA ²	NA ²	31	37	36,670	4	590,047
Vanguard Total Bond Market II Index Fund	11,174,009	3,054,841	271,618	(9,088)	947,576	463,461	—	14,895,720
Vanguard Total International Bond II Index Fund	4,726,925	1,501,351	71,858	1,776	284,383	251,524	—	6,442,577
Vanguard Total International Stock Index Fund	21,635,460	1,939,514	317,633	88,026	4,717,864	741,508	—	28,063,231
Vanguard Total Stock Market Index Fund	33,874,355	584,982	2,327,601	522,438	10,452,855	573,971	—	43,107,029
Total	72,153,274	7,080,688	2,988,710	603,183	16,402,715	2,067,134	4	93,098,604

1 Includes \$1,033,610,000 of portfolio securities delivered as a result of in-kind redemptions of the fund's capital shares.

2 Not applicable—purchases and sales are for temporary cash investment purposes.

H. Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, 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 September 30, 2024, that would require recognition or disclosure in these financial statements.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard Chester Funds and Shareholders of Vanguard Target Retirement Income Fund, Vanguard Target Retirement 2020 Fund, Vanguard Target Retirement 2025 Fund, Vanguard Target Retirement 2030 Fund, Vanguard Target Retirement 2035 Fund and Vanguard Target Retirement 2040 Fund

Opinions on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of Vanguard Target Retirement Income Fund, Vanguard Target Retirement 2020 Fund, Vanguard Target Retirement 2025 Fund, Vanguard Target Retirement 2030 Fund, Vanguard Target Retirement 2035 Fund and Vanguard Target Retirement 2040 Fund (six of the funds constituting Vanguard Chester Funds, hereafter collectively referred to as the "Funds") as of September 30, 2024, the related statements of operations for the year ended September 30, 2024, the statements of changes in net assets for each of the two years in the period ended September 30, 2024, including the related notes, and the financial highlights for each of the five years in the period ended September 30, 2024 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of September 30, 2024, the results of each of their operations for the year then ended, the changes in each of their net assets for each of the two years in the period ended September 30, 2024 and each of the financial highlights for each of the five years in the period ended September 30, 2024 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

These financial statements are the responsibility of the Funds' management. Our responsibility is to express an opinion on the Funds' financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of September 30, 2024 by correspondence with the transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

/s/PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
November 20, 2024

We have served as the auditor of one or more investment companies in The Vanguard Group of Funds since 1975.

Tax information (unaudited)

The following percentages, or if subsequently determined to be different, the maximum percentages allowable by law, of ordinary income (dividend income plus short-term gains, if any) for the fiscal year qualified for the dividends-received deduction for corporate shareholders.

Fund	Percentage
Target Retirement Income Fund	6.8%
Target Retirement 2020 Fund	9.2
Target Retirement 2025 Fund	13.3
Target Retirement 2030 Fund	16.9
Target Retirement 2035 Fund	20.5
Target Retirement 2040 Fund	23.8

The following amounts, or if subsequently determined to be different, the maximum amounts allowable by law, are hereby designated as qualified dividend income for purposes of the maximum rate under section 1(h)(11) for calendar year 2023. Shareholders will be notified in January 2025 via IRS Form 1099 of the amounts for use in preparing their 2024 income tax return.

Fund	(\$000)
Target Retirement Income Fund	184,168
Target Retirement 2020 Fund	274,175
Target Retirement 2025 Fund	688,051
Target Retirement 2030 Fund	899,997
Target Retirement 2035 Fund	1,010,704
Target Retirement 2040 Fund	975,530

The following amounts for the fiscal year, or if subsequently determined to be different, the maximum amounts allowable by law, are hereby designated as interest earned from obligations of the U.S. government which is generally exempt from state income tax.

Fund	(\$000)
Target Retirement Income Fund	368,789
Target Retirement 2020 Fund	323,028
Target Retirement 2025 Fund	453,896
Target Retirement 2030 Fund	357,105
Target Retirement 2035 Fund	300,146
Target Retirement 2040 Fund	204,156

For nonresident alien shareholders, 100% of short-term capital gain dividends distributed by the Target Retirement Income Fund, Target Retirement 2020 Fund, Target Retirement 2025 Fund, Target Retirement 2030 Fund and Target Retirement 2040 Fund for the fiscal year are qualified short-term capital gains.

The following amounts were distributed as capital gain dividends (20% rate gain distributions) to shareholders during the fiscal year.

Fund	(\$000)
Target Retirement Income Fund	405,218
Target Retirement 2020 Fund	1,330,748
Target Retirement 2025 Fund	1,055,027
Target Retirement 2030 Fund	14,998
Target Retirement 2035 Fund	7,299
Target Retirement 2040 Fund	1,907

The following percentages, or if subsequently determined to be different, the maximum percentages allowable by law, are hereby designated as ordinary income dividends eligible to be treated as interest income for purposes of section 163(j) and the regulations thereunder for the fiscal year.

Fund	Percentage
Target Retirement Income Fund	68.7%
Target Retirement 2020 Fund	73.5
Target Retirement 2025 Fund	64.1
Target Retirement 2030 Fund	58.8
Target Retirement 2035 Fund	50.0
Target Retirement 2040 Fund	39.5

The following amounts, or if subsequently determined to be different, the maximum amounts allowable by law, are hereby designated to shareholders as foreign source income and foreign taxes paid. Form 1099-DIV reports calendar-year amounts that can be included on the income tax return of shareholders.

Fund	Foreign Source Income (\$000)	Foreign Taxes Paid (\$000)
Target Retirement Income Fund	237,369	9,382
Target Retirement 2020 Fund	282,094	12,796
Target Retirement 2025 Fund	647,405	33,623
Target Retirement 2030 Fund	836,171	46,271
Target Retirement 2035 Fund	891,775	52,401
Target Retirement 2040 Fund	820,603	50,836

**Financial Statements
For the year ended September 30, 2024
Vanguard Target Retirement Funds**

Vanguard Target Retirement 2045 Fund

Vanguard Target Retirement 2050 Fund

Vanguard Target Retirement 2055 Fund

Vanguard Target Retirement 2060 Fund

Vanguard Target Retirement 2065 Fund

Vanguard Target Retirement 2070 Fund

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Financial Statements

Schedule of Investments

As of September 30, 2024

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)
Investment Companies (99.2%)		
U.S. Stock Fund (50.3%)		
Vanguard Total Stock Market Index Fund Institutional Plus Shares	177,068,994	45,795,354
International Stock Fund (33.2%)		
Vanguard Total International Stock Index Fund Investor Shares	1,452,052,346	30,217,209
U.S. Bond Fund (10.9%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	1,017,713,248	9,922,704
International Bond Fund (4.8%)		
¹ Vanguard Total International Bond II Index Fund Institutional Shares	161,265,290	4,363,839
Total Investment Companies (Cost \$58,649,857)		90,299,106
Temporary Cash Investments (0.8%)		
Money Market Fund (0.8%)		
¹ Vanguard Market Liquidity Fund, 5.014% (Cost \$689,156)	6,893,611	689,361
Total Investments (100.0%) (Cost \$59,339,013)		90,988,467
Other Assets and Liabilities—Net (0.0%)		24,650
Net Assets (100%)		91,013,117

Cost is in \$000.

* See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown for Vanguard Market Liquidity Fund is the 7-day yield.

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				
10-Year U.S. Treasury Note	December 2024	3,065	350,272	409
E-mini S&P 500 Index	December 2024	1,236	359,321	7,639
				8,048

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

Statement of Assets and Liabilities

As of September 30, 2024

(\$000s, except shares, footnotes, and per-share amounts)	Amount
Assets	
Investments in Securities, at Value—Affiliated Funds (Cost \$59,339,013)	90,988,467
Cash Collateral Pledged—Futures Contracts	24,180
Receivables for Investment Securities Sold	42,697
Receivables for Accrued Income	40,614
Receivables for Capital Shares Issued	59,072
Variation Margin Receivable—Futures Contracts	33
Total Assets	91,155,063
Liabilities	
Payables for Investment Securities Purchased	40,598
Payables for Capital Shares Redeemed	101,348
Total Liabilities	141,946
Net Assets	91,013,117
At September 30, 2024, net assets consisted of:	
Paid-in Capital	58,220,707
Total Distributable Earnings (Loss)	32,792,410
Net Assets	91,013,117
Net Assets	
Applicable to 2,952,972,083 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	91,013,117
Net Asset Value Per Share	\$30.82

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

Statement of Operations

	Year Ended September 30, 2024
	(\$000)
Investment Income	
Income	
Income Distributions Received from Affiliated Funds	1,898,858
Net Investment Income—Note B	1,898,858
Realized Net Gain (Loss)	
Capital Gain Distributions Received from Affiliated Funds	5
Affiliated Funds Sold ¹	644,995
Futures Contracts	69,844
Realized Net Gain (Loss)	714,844
Change in Unrealized Appreciation (Depreciation)	
Affiliated Funds	16,797,361
Futures Contracts	34,427
Change in Unrealized Appreciation (Depreciation)	16,831,788
Net Increase (Decrease) in Net Assets Resulting from Operations	19,445,490

¹ Includes \$606,774,000 of net gain (loss) resulting from in-kind redemptions.

Statement of Changes in Net Assets

	Year Ended September 30,	
	2024 (\$000)	2023 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	1,898,858	1,474,423
Realized Net Gain (Loss)	714,844	898,295
Change in Unrealized Appreciation (Depreciation)	16,831,788	7,499,425
Net Increase (Decrease) in Net Assets Resulting from Operations	19,445,490	9,872,143
Distributions		
Total Distributions	(1,701,640)	(1,622,229)
Capital Share Transactions		
Issued	10,856,682	9,893,868
Issued in Lieu of Cash Distributions	1,674,884	1,597,470
Redeemed	(8,043,403)	(6,881,466)
Net Increase (Decrease) from Capital Share Transactions	4,488,163	4,609,872
Total Increase (Decrease)	22,232,013	12,859,786
Net Assets		
Beginning of Period	68,781,104	55,921,318
End of Period	91,013,117	68,781,104

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

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended September 30,				
	2024	2023	2022	2021	2020
Net Asset Value, Beginning of Period	\$24.66	\$21.54	\$31.04	\$25.22	\$23.38
Investment Operations					
Net Investment Income ¹	.657	.548	.536	.495	.492
Capital Gain Distributions Received ¹	.000 ²	.000 ²	.007	.020	—
Net Realized and Unrealized Gain (Loss) on Investments	6.111	3.200	(5.672)	5.840	1.900
Total from Investment Operations	6.768	3.748	(5.129)	6.355	2.392
Distributions					
Dividends from Net Investment Income	(.608)	(.486)	(.629)	(.452)	(.552)
Distributions from Realized Capital Gains	—	(.142)	(3.742)	(.083)	—
Total Distributions	(.608)	(.628)	(4.371)	(.535)	(.552)
Net Asset Value, End of Period	\$30.82	\$24.66	\$21.54	\$31.04	\$25.22
Total Return³	27.82%	17.67%	-19.93%	25.42%	10.27%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$91,013	\$68,781	\$55,921	\$28,918	\$30,205
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—
Acquired Fund Fees and Expenses	0.08%	0.08%	0.09% ⁴	0.15%	0.15%
Ratio of Net Investment Income to Average Net Assets	2.37%	2.25%	2.09%	1.68%	2.08%
Portfolio Turnover Rate	1% ⁵	1% ⁵	5% ⁵	4%	9%

1 Calculated based on average shares outstanding.

2 Distribution was less than \$.001 per share.

3 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.

4 The Acquired Fund Fees and Expenses (AFFE) of 0.09% reflects the blended amount of expenses for the year ended September 30, 2022. Before the acquisition of Vanguard Institutional Target Retirement 2045 Fund on February 11, 2022, the AFFE was 0.15% on an annualized basis. Following the acquisition, the AFFE was 0.08% on an annualized basis.

5 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares.

Notes to Financial Statements

Vanguard Target Retirement 2045 Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. and international stocks, and U.S. and international bonds. The fund invests a substantial amount of its assets in Vanguard Total Stock Market Index Fund. Financial statements and other information about each underlying fund are available at www.vanguard.com.

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:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Futures Contracts:** The fund uses stock and bond futures contracts to a limited extent, with the objectives of maintaining full exposure to the market and maintaining its target asset allocation. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of investments 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 year ended September 30, 2024, the fund's average investments in long and short futures contracts represented 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **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.

4. **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.

5. **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 borne by the funds in which the fund invests (see Note B). 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 year ended September 30, 2024, the fund did not utilize the credit facilities or the Interfund Lending Program.

6. **Other:** Income and capital gain distributions received are recorded on the ex-dividend 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. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution 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. The FSA provides that expenses otherwise allocable to Vanguard funds-of-funds may be reduced or eliminated to the extent of savings realized by the underlying Vanguard funds by virtue of being part of a fund-of-funds. Accordingly, all expenses for services provided by Vanguard to the fund and all other expenses incurred by the fund during the year ended September 30, 2024, were borne by the underlying Vanguard funds in which the fund invests. The fund's trustees and officers are also trustees and officers, respectively, of the underlying Vanguard funds, as well as directors and employees, respectively, of Vanguard.

C. The fund's SEC registrant (the Vanguard Chester Funds (the "Trust")), certain officers and trustees of the Trust, and The Vanguard Group Inc. (collectively, the "Defendants") were named in putative class action lawsuits filed in 2022 by certain investors (the "Plaintiffs") in the U.S. District Court for the Eastern District of Pennsylvania; these class action lawsuits were later consolidated into one action. The Plaintiffs assert claims related to their allegations that the Defendants improperly decided to lower minimum investment limits in 2020 for the Trust's Institutional Target Retirement funds for certain smaller retirement plan participants, which purportedly harmed certain investors in taxable accounts. Subject to court approval, the parties have reached an agreement in principle to settle the lawsuit. The settlement is not anticipated to have a financial impact on the Trust.

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.

At September 30, 2024, 100% of the market value of the fund's investments and derivatives was determined based on Level 1 inputs.

E. 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 in-kind redemptions and distributions in connection with fund share redemptions were reclassified between the following accounts:

	Amount (\$000)
Paid-in Capital	629,977
Total Distributable Earnings (Loss)	(629,977)

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; and the recognition of unrealized gains or losses from certain derivative contracts. 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	1,183,810
Undistributed Long-Term Gains	47,422
Net Unrealized Gains (Losses)	31,561,178
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Other Temporary Differences	—
Total	32,792,410

The tax character of distributions paid was as follows:

	Year Ended September 30,	
	2024 Amount (\$000)	2023 Amount (\$000)
Ordinary Income*	1,701,640	1,254,390
Long-Term Capital Gains	—	367,839
Total	1,701,640	1,622,229

* Includes short-term capital gains, if any.

As of September 30, 2024, 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	59,427,289
Gross Unrealized Appreciation	32,447,235
Gross Unrealized Depreciation	(886,057)
Net Unrealized Appreciation (Depreciation)	31,561,178

F. Capital shares issued and redeemed were:

	Year Ended September 30,	
	2024 Shares (000)	2023 Shares (000)
Issued	393,465	407,526
Issued in Lieu of Cash Distributions	62,706	70,747
Redeemed	(291,976)	(285,799)
Net Increase (Decrease) in Shares Outstanding	164,195	192,474

G. Transactions during the period in affiliated underlying Vanguard funds were as follows:

	Current Period Transactions							Sep. 30, 2024 Market Value (\$000)
	Sep. 30, 2023 Market Value (\$000)	Purchases at Cost (\$000)	Proceeds from Securities Sold ¹ (\$000)	Realized Net Gain (Loss) (\$000)	Change in Unrealized App. (Dep.) (\$000)	Income (\$000)	Capital Gain Distributions Received (\$000)	
Vanguard Market Liquidity Fund	837,984	NA ²	NA ²	32	50	41,097	5	689,361
Vanguard Total Bond Market II Index Fund	7,074,053	2,391,159	149,969	4,231	603,230	301,294	—	9,922,704
Vanguard Total International Bond II Index Fund	2,871,702	1,361,969	56,593	1,572	185,189	163,332	—	4,363,839
Vanguard Total International Stock Index Fund	22,753,830	2,772,568	405,663	102,359	4,994,115	785,274	—	30,217,209
Vanguard Total Stock Market Index Fund	35,242,139	629,174	1,627,537	536,801	11,014,777	607,861	—	45,795,354
Total	68,779,708	7,154,870	2,239,762	644,995	16,797,361	1,898,858	5	90,988,467

1 Includes \$1,202,800,000 of portfolio securities delivered as a result of in-kind redemptions of the fund's capital shares.

2 Not applicable—purchases and sales are for temporary cash investment purposes.

H. Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, 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 September 30, 2024, that would require recognition or disclosure in these financial statements.

Financial Statements

Schedule of Investments

As of September 30, 2024

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)
Investment Companies (99.3%)		
U.S. Stock Fund (53.5%)		
Vanguard Total Stock Market Index Fund Institutional Plus Shares	160,173,433	41,425,655
International Stock Fund (36.2%)		
Vanguard Total International Stock Index Fund Investor Shares	1,346,073,947	28,011,799
U.S. Bond Fund (6.6%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	524,775,121	5,116,557
International Bond Fund (3.0%)		
¹ Vanguard Total International Bond II Index Fund Institutional Shares	85,341,389	2,309,338
Total Investment Companies (Cost \$51,720,266)		76,863,349
Temporary Cash Investments (0.7%)		
Money Market Fund (0.7%)		
¹ Vanguard Market Liquidity Fund, 5.014% (Cost \$573,283)	5,734,628	573,462
Total Investments (100.0%) (Cost \$52,293,549)		77,436,811
Other Assets and Liabilities—Net (0.0%)		4,174
Net Assets (100%)		77,440,985

Cost is in \$000.

* See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown for Vanguard Market Liquidity Fund is the 7-day yield.

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				
10-Year U.S. Treasury Note	December 2024	2,523	288,332	335
E-mini S&P 500 Index	December 2024	1,031	299,724	6,372
				6,707

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

Statement of Assets and Liabilities

As of September 30, 2024

(\$000s, except shares, footnotes, and per-share amounts)	Amount
Assets	
Investments in Securities, at Value—Affiliated Funds (Cost \$52,293,549)	77,436,811
Cash Collateral Pledged—Futures Contracts	20,103
Receivables for Accrued Income	21,849
Receivables for Capital Shares Issued	60,652
Variation Margin Receivable—Futures Contracts	42
Total Assets	77,539,457
Liabilities	
Payables for Investment Securities Purchased	47,561
Payables for Capital Shares Redeemed	50,911
Total Liabilities	98,472
Net Assets	77,440,985

At September 30, 2024, net assets consisted of:

Paid-in Capital	51,451,228
Total Distributable Earnings (Loss)	25,989,757
Net Assets	77,440,985

Net Assets

Applicable to 1,497,621,450 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	77,440,985
Net Asset Value Per Share	\$51.71

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

Statement of Operations

	Year Ended September 30, 2024
	(\$000)
Investment Income	
Income	
Income Distributions Received from Affiliated Funds	1,528,517
Net Investment Income—Note B	1,528,517
Realized Net Gain (Loss)	
Capital Gain Distributions Received from Affiliated Funds	3
Affiliated Funds Sold ¹	484,494
Futures Contracts	50,913
Realized Net Gain (Loss)	535,410
Change in Unrealized Appreciation (Depreciation)	
Affiliated Funds	14,749,014
Futures Contracts	27,232
Change in Unrealized Appreciation (Depreciation)	14,776,246
Net Increase (Decrease) in Net Assets Resulting from Operations	16,840,173

¹ Includes \$494,587,000 of net gain (loss) resulting from in-kind redemptions.

Statement of Changes in Net Assets

	Year Ended September 30,	
	2024 (\$000)	2023 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	1,528,517	1,192,157
Realized Net Gain (Loss)	535,410	847,632
Change in Unrealized Appreciation (Depreciation)	14,776,246	6,221,469
Net Increase (Decrease) in Net Assets Resulting from Operations	16,840,173	8,261,258
Distributions		
Total Distributions	(1,372,680)	(1,134,127)
Capital Share Transactions		
Issued	10,844,484	9,932,027
Issued in Lieu of Cash Distributions	1,350,227	1,115,771
Redeemed	(6,858,135)	(6,274,244)
Net Increase (Decrease) from Capital Share Transactions	5,336,576	4,773,554
Total Increase (Decrease)	20,804,069	11,900,685
Net Assets		
Beginning of Period	56,636,916	44,736,231
End of Period	77,440,985	56,636,916

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

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended September 30,				
	2024	2023	2022	2021	2020
Net Asset Value, Beginning of Period	\$41.00	\$35.44	\$50.09	\$40.60	\$37.63
Investment Operations					
Net Investment Income ¹	1.056	.904	.884	.798	.793
Capital Gain Distributions Received ¹	.000 ²	.000 ²	.009	.031	—
Net Realized and Unrealized Gain (Loss) on Investments	10.638	5.557	(9.524)	9.498	3.053
Total from Investment Operations	11.694	6.461	(8.631)	10.327	3.846
Distributions					
Dividends from Net Investment Income	(.984)	(.805)	(1.026)	(.741)	(.876)
Distributions from Realized Capital Gains	—	(.096)	(4.993)	(.096)	—
Total Distributions	(.984)	(.901)	(6.019)	(.837)	(.876)
Net Asset Value, End of Period	\$51.71	\$41.00	\$35.44	\$50.09	\$40.60
Total Return³	28.91%	18.48%	-20.18%	25.65%	10.26%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$77,441	\$56,637	\$44,736	\$21,583	\$22,979
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—
Acquired Fund Fees and Expenses	0.08%	0.08%	0.09% ⁴	0.15%	0.15%
Ratio of Net Investment Income to Average Net Assets	2.28%	2.24%	2.10%	1.68%	2.08%
Portfolio Turnover Rate	1% ⁵	2% ⁵	4% ⁵	4%	9%

1 Calculated based on average shares outstanding.

2 Distribution was less than \$.001 per share.

3 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.

4 The Acquired Fund Fees and Expenses (AFFE) of 0.09% reflects the blended amount of expenses for the year ended September 30, 2022. Before the acquisition of Vanguard Institutional Target Retirement 2050 Fund on February 11, 2022, the AFFE was 0.15% on an annualized basis. Following the acquisition, the AFFE was 0.08% on an annualized basis.

5 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares.

Notes to Financial Statements

Vanguard Target Retirement 2050 Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. and international stocks, and U.S. and international bonds. The fund invests a substantial amount of its assets in Vanguard Total Stock Market Index Fund. Financial statements and other information about each underlying fund are available at www.vanguard.com.

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:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Futures Contracts:** The fund uses stock and bond futures contracts to a limited extent, with the objectives of maintaining full exposure to the market and maintaining its target asset allocation. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of investments 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 year ended September 30, 2024, the fund's average investments in long and short futures contracts represented 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **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.

4. **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.

5. **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 borne by the funds in which the fund invests (see Note B). 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 year ended September 30, 2024, the fund did not utilize the credit facilities or the Interfund Lending Program.

6. **Other:** Income and capital gain distributions received are recorded on the ex-dividend 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. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution 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. The FSA provides that expenses otherwise allocable to Vanguard funds-of-funds may be reduced or eliminated to the extent of savings realized by the underlying Vanguard funds by virtue of being part of a fund-of-funds. Accordingly, all expenses for services provided by Vanguard to the fund and all other expenses incurred by the fund during the year ended September 30, 2024, were borne by the underlying Vanguard funds in which the fund invests. The fund's trustees and officers are also trustees and officers, respectively, of the underlying Vanguard funds, as well as directors and employees, respectively, of Vanguard.

C. The fund's SEC registrant (the Vanguard Chester Funds (the "Trust")), certain officers and trustees of the Trust, and The Vanguard Group Inc. (collectively, the "Defendants") were named in putative class action lawsuits filed in 2022 by certain investors (the "Plaintiffs") in the U.S. District Court for the Eastern District of Pennsylvania; these class action lawsuits were later consolidated into one action. The Plaintiffs assert claims related to their allegations that the Defendants improperly decided to lower minimum investment limits in 2020 for the Trust's Institutional Target Retirement funds for certain smaller retirement plan participants, which purportedly harmed certain investors in taxable accounts. Subject to court approval, the parties have reached an agreement in principle to settle the lawsuit. The settlement is not anticipated to have a financial impact on the Trust.

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.

At September 30, 2024, 100% of the market value of the fund's investments and derivatives was determined based on Level 1 inputs.

E. 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 in-kind redemptions and distributions in connection with fund share redemptions were reclassified between the following accounts:

	Amount (\$000)
Paid-in Capital	509,579
Total Distributable Earnings (Loss)	(509,579)

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; and the recognition of unrealized gains or losses from certain derivative contracts. 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	955,617
Undistributed Long-Term Gains	23,982
Net Unrealized Gains (Losses)	25,010,158
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Other Temporary Differences	—
Total	25,989,757

The tax character of distributions paid was as follows:

	Year Ended September 30,	
	2024 Amount (\$000)	2023 Amount (\$000)
Ordinary Income*	1,372,680	1,012,798
Long-Term Capital Gains	—	121,329
Total	1,372,680	1,134,127

* Includes short-term capital gains, if any.

As of September 30, 2024, 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	52,426,653
Gross Unrealized Appreciation	25,584,235
Gross Unrealized Depreciation	(574,077)
Net Unrealized Appreciation (Depreciation)	25,010,158

F. Capital shares issued and redeemed were:

	Year Ended September 30,	
	2024 Shares (000)	2023 Shares (000)
Issued	235,290	246,763
Issued in Lieu of Cash Distributions	30,329	29,841
Redeemed	(149,397)	(157,371)
Net Increase (Decrease) in Shares Outstanding	116,222	119,233

G. Transactions during the period in affiliated underlying Vanguard funds were as follows:

	Current Period Transactions							Sep. 30, 2024 Market Value (\$000)
	Sep. 30, 2023 Market Value (\$000)	Purchases at Cost (\$000)	Proceeds from Securities Sold ¹ (\$000)	Realized Net Gain (Loss) (\$000)	Change in Unrealized App. (Dep.) (\$000)	Income (\$000)	Capital Gain Distributions Received (\$000)	
Vanguard Market Liquidity Fund	595,128	NA ²	NA ²	20	49	29,111	3	573,462
Vanguard Total Bond Market II Index Fund	3,975,264	1,088,574	272,323	(8,122)	333,164	161,384	—	5,116,557
Vanguard Total International Bond II Index Fund	1,552,897	714,545	57,667	(3,239)	102,802	85,389	—	2,309,338
Vanguard Total International Stock Index Fund	20,316,546	3,537,733	465,466	88,252	4,534,734	714,912	—	28,011,799
Vanguard Total Stock Market Index Fund	30,192,144	1,712,246	664,583	407,583	9,778,265	537,721	—	41,425,655
Total	56,631,979	7,053,098	1,460,039	484,494	14,749,014	1,528,517	3	77,436,811

¹ Includes \$971,630,000 of portfolio securities delivered as a result of in-kind redemptions of the fund's capital shares.

² Not applicable—purchases and sales are for temporary cash investment purposes.

H. Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, 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 September 30, 2024, that would require recognition or disclosure in these financial statements.

Financial Statements

Schedule of Investments

As of September 30, 2024

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)
Investment Companies (99.3%)		
U.S. Stock Fund (53.5%)		
Vanguard Total Stock Market Index Fund Institutional Plus Shares	107,648,394	27,841,105
International Stock Fund (36.1%)		
Vanguard Total International Stock Index Fund Investor Shares	902,706,448	18,785,321
U.S. Bond Fund (6.7%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	356,569,947	3,476,557
International Bond Fund (3.0%)		
¹ Vanguard Total International Bond II Index Fund Institutional Shares	57,560,798	1,557,595
Total Investment Companies (Cost \$37,404,480)		51,660,578
Temporary Cash Investments (0.7%)		
Money Market Fund (0.7%)		
¹ Vanguard Market Liquidity Fund, 5.014% (Cost \$345,883)	3,459,960	345,996
Total Investments (100.0%) (Cost \$37,750,363)		52,006,574
Other Assets and Liabilities—Net (0.0%)		9,178
Net Assets (100%)		52,015,752

Cost is in \$000.

* See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown for Vanguard Market Liquidity Fund is the 7-day yield.

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				
10-Year U.S. Treasury Note	December 2024	1,385	158,280	184
E-mini S&P 500 Index	December 2024	681	197,975	4,209
				4,393

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

Statement of Assets and Liabilities

As of September 30, 2024

(\$000s, except shares, footnotes, and per-share amounts)	Amount
Assets	
Investments in Securities, at Value—Affiliated Funds (Cost \$37,750,363)	52,006,574
Cash Collateral Pledged—Futures Contracts	12,719
Receivables for Accrued Income	14,626
Receivables for Capital Shares Issued	52,585
Variation Margin Receivable—Futures Contracts	156
Total Assets	52,086,660
Liabilities	
Payables for Investment Securities Purchased	25,329
Payables for Capital Shares Redeemed	45,579
Total Liabilities	70,908
Net Assets	52,015,752
At September 30, 2024, net assets consisted of:	
Paid-in Capital	37,161,607
Total Distributable Earnings (Loss)	14,854,145
Net Assets	52,015,752
Net Assets	
Applicable to 901,400,574 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	52,015,752
Net Asset Value Per Share	\$57.71

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

Statement of Operations

	Year Ended September 30, 2024
	(\$000)
Investment Income	
Income	
Income Distributions Received from Affiliated Funds	1,012,092
Net Investment Income—Note B	1,012,092
Realized Net Gain (Loss)	
Capital Gain Distributions Received from Affiliated Funds	2
Affiliated Funds Sold ¹	359,215
Futures Contracts	33,527
Realized Net Gain (Loss)	392,744
Change in Unrealized Appreciation (Depreciation)	
Affiliated Funds	9,716,990
Futures Contracts	17,117
Change in Unrealized Appreciation (Depreciation)	9,734,107
Net Increase (Decrease) in Net Assets Resulting from Operations	11,138,943

¹ Includes \$362,452,000 of net gain (loss) resulting from in-kind redemptions.

Statement of Changes in Net Assets

	Year Ended September 30,	
	2024 (\$000)	2023 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	1,012,092	757,392
Realized Net Gain (Loss)	392,744	502,355
Change in Unrealized Appreciation (Depreciation)	9,734,107	3,870,705
Net Increase (Decrease) in Net Assets Resulting from Operations	11,138,943	5,130,452
Distributions		
Total Distributions	(888,536)	(648,927)
Capital Share Transactions		
Issued	8,991,675	8,314,898
Issued in Lieu of Cash Distributions	873,723	638,183
Redeemed	(4,864,879)	(4,239,814)
Net Increase (Decrease) from Capital Share Transactions	5,000,519	4,713,267
Total Increase (Decrease)	15,250,926	9,194,792
Net Assets		
Beginning of Period	36,764,826	27,570,034
End of Period	52,015,752	36,764,826

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

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended September 30,				
	2024	2023	2022	2021	2020
Net Asset Value, Beginning of Period	\$45.74	\$39.46	\$54.38	\$44.08	\$40.84
Investment Operations					
Net Investment Income ¹	1.179	1.011	.981	.868	.862
Capital Gain Distributions Received ¹	.000 ²	.000 ²	.010	.034	—
Net Realized and Unrealized Gain (Loss) on Investments	11.874	6.192	(10.672)	10.295	3.307
Total from Investment Operations	13.053	7.203	(9.681)	11.197	4.169
Distributions					
Dividends from Net Investment Income	(1.083)	(.885)	(1.099)	(.791)	(.929)
Distributions from Realized Capital Gains	—	(.038)	(4.140)	(.106)	—
Total Distributions	(1.083)	(.923)	(5.239)	(.897)	(.929)
Net Asset Value, End of Period	\$57.71	\$45.74	\$39.46	\$54.38	\$44.08
Total Return³	28.92%	18.48%	-20.17%	25.61%	10.25%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$52,016	\$36,765	\$27,570	\$12,516	\$12,901
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—
Acquired Fund Fees and Expenses	0.08%	0.08%	0.09% ⁴	0.15%	0.15%
Ratio of Net Investment Income to Average Net Assets	2.28%	2.25%	2.10%	1.68%	2.09%
Portfolio Turnover Rate	1% ⁵	1% ⁵	4% ⁵	6%	8%

1 Calculated based on average shares outstanding.

2 Distribution was less than \$.001 per share.

3 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.

4 The Acquired Fund Fees and Expenses (AFFE) of 0.09% reflects the blended amount of expenses for the year ended September 30, 2022. Before the acquisition of Vanguard Institutional Target Retirement 2055 Fund on February 11, 2022, the AFFE was 0.15% on an annualized basis. Following the acquisition, the AFFE was 0.08% on an annualized basis.

5 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares.

Notes to Financial Statements

Vanguard Target Retirement 2055 Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. and international stocks, and U.S. and international bonds. The fund invests a substantial amount of its assets in Vanguard Total Stock Market Index Fund. Financial statements and other information about each underlying fund are available at www.vanguard.com.

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:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Futures Contracts:** The fund uses stock and bond futures contracts to a limited extent, with the objectives of maintaining full exposure to the market and maintaining its target asset allocation. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of investments 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 year ended September 30, 2024, the fund's average investments in long and short futures contracts represented 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **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.

4. **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.

5. **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 borne by the funds in which the fund invests (see Note B). 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 year ended September 30, 2024, the fund did not utilize the credit facilities or the Interfund Lending Program.

6. **Other:** Income and capital gain distributions received are recorded on the ex-dividend 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. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution 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. The FSA provides that expenses otherwise allocable to Vanguard funds-of-funds may be reduced or eliminated to the extent of savings realized by the underlying Vanguard funds by virtue of being part of a fund-of-funds. Accordingly, all expenses for services provided by Vanguard to the fund and all other expenses incurred by the fund during the year ended September 30, 2024, were borne by the underlying Vanguard funds in which the fund invests. The fund's trustees and officers are also trustees and officers, respectively, of the underlying Vanguard funds, as well as directors and employees, respectively, of Vanguard.

C. The fund's SEC registrant (the Vanguard Chester Funds (the "Trust")), certain officers and trustees of the Trust, and The Vanguard Group Inc. (collectively, the "Defendants") were named in putative class action lawsuits filed in 2022 by certain investors (the "Plaintiffs") in the U.S. District Court for the Eastern District of Pennsylvania; these class action lawsuits were later consolidated into one action. The Plaintiffs assert claims related to their allegations that the Defendants improperly decided to lower minimum investment limits in 2020 for the Trust's Institutional Target Retirement funds for certain smaller retirement plan participants, which purportedly harmed certain investors in taxable accounts. Subject to court approval, the parties have reached an agreement in principle to settle the lawsuit. The settlement is not anticipated to have a financial impact on the Trust.

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.

At September 30, 2024, 100% of the market value of the fund's investments and derivatives was determined based on Level 1 inputs.

E. 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 in-kind redemptions and distributions in connection with fund share redemptions were reclassified between the following accounts:

	Amount (\$000)
Paid-in Capital	375,045
Total Distributable Earnings (Loss)	(375,045)

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; and the recognition of unrealized gains or losses from certain derivative contracts. 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	636,367
Undistributed Long-Term Gains	34,939
Net Unrealized Gains (Losses)	14,182,839
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Other Temporary Differences	—
Total	14,854,145

The tax character of distributions paid was as follows:

	Year Ended September 30,	
	2024 Amount (\$000)	2023 Amount (\$000)
Ordinary Income*	888,536	622,443
Long-Term Capital Gains	—	26,484
Total	888,536	648,927

* Includes short-term capital gains, if any.

As of September 30, 2024, 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	37,823,735
Gross Unrealized Appreciation	14,547,895
Gross Unrealized Depreciation	(365,056)
Net Unrealized Appreciation (Depreciation)	14,182,839

F. Capital shares issued and redeemed were:

	Year Ended September 30,	
	2024 Shares (000)	2023 Shares (000)
Issued	174,790	185,243
Issued in Lieu of Cash Distributions	17,587	15,300
Redeemed	(94,819)	(95,370)
Net Increase (Decrease) in Shares Outstanding	97,558	105,173

G. Transactions during the period in affiliated underlying Vanguard funds were as follows:

	Current Period Transactions							Sep. 30, 2024 Market Value (\$000)
	Sep. 30, 2023 Market Value (\$000)	Purchases at Cost (\$000)	Proceeds from Securities Sold ¹ (\$000)	Realized Net Gain (Loss) (\$000)	Change in Unrealized App. (Dep.) (\$000)	Income (\$000)	Capital Gain Distributions Received (\$000)	
Vanguard Market Liquidity Fund	366,319	NA ²	NA ²	17	25	17,421	2	345,996
Vanguard Total Bond Market II Index Fund	2,582,067	851,270	174,087	1,253	216,054	108,114	—	3,476,557
Vanguard Total International Bond II Index Fund	1,002,290	532,195	43,229	(1,640)	67,979	56,551	—	1,557,595
Vanguard Total International Stock Index Fund	13,247,927	2,888,028	415,664	68,874	2,996,156	473,424	—	18,785,321
Vanguard Total Stock Market Index Fund	19,565,411	2,069,520	521,313	290,711	6,436,776	356,582	—	27,841,105
Total	36,764,014	6,341,013	1,154,293	359,215	9,716,990	1,012,092	2	52,006,574

1 Includes \$837,070,000 of portfolio securities delivered as a result of in-kind redemptions of the fund's capital shares.

2 Not applicable—purchases and sales are for temporary cash investment purposes.

H. Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, 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 September 30, 2024, that would require recognition or disclosure in these financial statements.

Financial Statements

Schedule of Investments

As of September 30, 2024

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)
Investment Companies (99.2%)		
U.S. Stock Fund (53.4%)		
Vanguard Total Stock Market Index Fund Institutional Plus Shares	61,107,311	15,804,184
International Stock Fund (36.2%)		
Vanguard Total International Stock Index Fund Investor Shares	514,036,532	10,697,100
U.S. Bond Fund (6.6%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	201,568,218	1,965,290
International Bond Fund (3.0%)		
¹ Vanguard Total International Bond II Index Fund Institutional Shares	32,723,667	885,502
Total Investment Companies (Cost \$22,204,934)		29,352,076
Temporary Cash Investments (0.8%)		
Money Market Fund (0.8%)		
¹ Vanguard Market Liquidity Fund, 5.014% (Cost \$226,330)	2,263,985	226,399
Total Investments (100.0%) (Cost \$22,431,264)		29,578,475
Other Assets and Liabilities—Net (0.0%)		(2,502)
Net Assets (100%)		29,575,973

Cost is in \$000.

* See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown for Vanguard Market Liquidity Fund is the 7-day yield.

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				
10-Year U.S. Treasury Note	December 2024	885	101,139	117
E-mini S&P 500 Index	December 2024	458	133,146	2,831
				2,948

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

Statement of Assets and Liabilities

As of September 30, 2024

(\$000s, except shares, footnotes, and per-share amounts)	Amount
Assets	
Investments in Securities, at Value—Affiliated Funds (Cost \$22,431,264)	29,578,475
Cash Collateral Pledged—Futures Contracts	8,465
Receivables for Accrued Income	8,395
Receivables for Capital Shares Issued	34,860
Variation Margin Receivable—Futures Contracts	126
Total Assets	29,630,321
Liabilities	
Payables for Investment Securities Purchased	28,605
Payables for Capital Shares Redeemed	25,743
Total Liabilities	54,348
Net Assets	29,575,973

At September 30, 2024, net assets consisted of:

Paid-in Capital	22,083,737
Total Distributable Earnings (Loss)	7,492,236
Net Assets	29,575,973

Net Assets

Applicable to 556,250,369 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	29,575,973
Net Asset Value Per Share	\$53.17

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

Statement of Operations

	Year Ended September 30, 2024
	(\$000)
Investment Income	
Income	
Income Distributions Received from Affiliated Funds	562,108
Net Investment Income—Note B	562,108
Realized Net Gain (Loss)	
Capital Gain Distributions Received from Affiliated Funds	1
Affiliated Funds Sold ¹	157,516
Futures Contracts	22,761
Realized Net Gain (Loss)	180,278
Change in Unrealized Appreciation (Depreciation)	
Affiliated Funds	5,416,518
Futures Contracts	9,864
Change in Unrealized Appreciation (Depreciation)	5,426,382
Net Increase (Decrease) in Net Assets Resulting from Operations	6,168,768

¹ Includes \$162,229,000 of net gain (loss) resulting from in-kind redemptions.

Statement of Changes in Net Assets

	Year Ended September 30,	
	2024 (\$000)	2023 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	562,108	393,439
Realized Net Gain (Loss)	180,278	188,523
Change in Unrealized Appreciation (Depreciation)	5,426,382	1,995,500
Net Increase (Decrease) in Net Assets Resulting from Operations	6,168,768	2,577,462
Distributions		
Total Distributions	(474,148)	(313,855)
Capital Share Transactions		
Issued	6,613,234	5,725,418
Issued in Lieu of Cash Distributions	464,827	307,570
Redeemed	(2,893,982)	(2,278,877)
Net Increase (Decrease) from Capital Share Transactions	4,184,079	3,754,111
Total Increase (Decrease)	9,878,699	6,017,718
Net Assets		
Beginning of Period	19,697,274	13,679,556
End of Period	29,575,973	19,697,274

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

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended September 30,				
	2024	2023	2022	2021	2020
Net Asset Value, Beginning of Period	\$42.12	\$36.30	\$48.04	\$38.95	\$36.07
Investment Operations					
Net Investment Income ¹	1.090	.936	.903	.773	.762
Capital Gain Distributions Received ¹	.000 ²	.000 ²	.009	.029	—
Net Realized and Unrealized Gain (Loss) on Investments	10.938	5.697	(9.930)	9.085	2.922
Total from Investment Operations	12.028	6.633	(9.018)	9.887	3.684
Distributions					
Dividends from Net Investment Income	(.978)	(.813)	(.936)	(.684)	(.804)
Distributions from Realized Capital Gains	—	—	(1.786)	(.113)	—
Total Distributions	(.978)	(.813)	(2.722)	(.797)	(.804)
Net Asset Value, End of Period	\$53.17	\$42.12	\$36.30	\$48.04	\$38.95
Total Return³	28.93%	18.49%	-20.16%	25.60%	10.25%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$29,576	\$19,697	\$13,680	\$6,658	\$6,027
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—
Acquired Fund Fees and Expenses	0.08%	0.08%	0.09% ⁴	0.15%	0.15%
Ratio of Net Investment Income to Average Net Assets	2.29%	2.26%	2.10%	1.69%	2.09%
Portfolio Turnover Rate	1% ⁵	1% ⁵	3% ⁵	8%	6%

1 Calculated based on average shares outstanding.

2 Distribution was less than \$.001 per share.

3 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.

4 The Acquired Fund Fees and Expenses (AFFE) of 0.09% reflects the blended amount of expenses for the year ended September 30, 2022. Before the acquisition of Vanguard Institutional Target Retirement 2060 Fund on February 11, 2022, the AFFE was 0.15% on an annualized basis. Following the acquisition, the AFFE was 0.08% on an annualized basis.

5 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares.

Notes to Financial Statements

Vanguard Target Retirement 2060 Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. and international stocks, and U.S. and international bonds. The fund invests a substantial amount of its assets in Vanguard Total Stock Market Index Fund. Financial statements and other information about each underlying fund are available at www.vanguard.com.

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:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Futures Contracts:** The fund uses stock and bond futures contracts to a limited extent, with the objectives of maintaining full exposure to the market and maintaining its target asset allocation. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of investments 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 year ended September 30, 2024, the fund's average investments in long and short futures contracts represented 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **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.

4. **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.

5. **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 borne by the funds in which the fund invests (see Note B). 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 year ended September 30, 2024, the fund did not utilize the credit facilities or the Interfund Lending Program.

6. **Other:** Income and capital gain distributions received are recorded on the ex-dividend 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. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution 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. The FSA provides that expenses otherwise allocable to Vanguard funds-of-funds may be reduced or eliminated to the extent of savings realized by the underlying Vanguard funds by virtue of being part of a fund-of-funds. Accordingly, all expenses for services provided by Vanguard to the fund and all other expenses incurred by the fund during the year ended September 30, 2024, were borne by the underlying Vanguard funds in which the fund invests. The fund's trustees and officers are also trustees and officers, respectively, of the underlying Vanguard funds, as well as directors and employees, respectively, of Vanguard.

C. The fund's SEC registrant (the Vanguard Chester Funds (the "Trust")), certain officers and trustees of the Trust, and The Vanguard Group Inc. (collectively, the "Defendants") were named in putative class action lawsuits filed in 2022 by certain investors (the "Plaintiffs") in the U.S. District Court for the Eastern District of Pennsylvania; these class action lawsuits were later consolidated into one action. The Plaintiffs assert claims related to their allegations that the Defendants improperly decided to lower minimum investment limits in 2020 for the Trust's Institutional Target Retirement funds for certain smaller retirement plan participants, which purportedly harmed certain investors in taxable accounts. Subject to court approval, the parties have reached an agreement in principle to settle the lawsuit. The settlement is not anticipated to have a financial impact on the Trust.

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.

At September 30, 2024, 100% of the market value of the fund's investments and derivatives was determined based on Level 1 inputs.

E. 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 in-kind redemptions and distributions in connection with fund share redemptions were reclassified between the following accounts:

	Amount (\$000)
Paid-in Capital	170,397
Total Distributable Earnings (Loss)	(170,397)

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; and the recognition of unrealized gains or losses from certain derivative contracts. 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	358,943
Undistributed Long-Term Gains	14,621
Net Unrealized Gains (Losses)	7,118,672
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Other Temporary Differences	—
Total	7,492,236

The tax character of distributions paid was as follows:

	Year Ended September 30,	
	2024 Amount (\$000)	2023 Amount (\$000)
Ordinary Income*	474,148	313,855
Long-Term Capital Gains	—	—
Total	474,148	313,855

* Includes short-term capital gains, if any.

As of September 30, 2024, 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	22,459,803
Gross Unrealized Appreciation	7,295,852
Gross Unrealized Depreciation	(177,180)
Net Unrealized Appreciation (Depreciation)	7,118,672

F. Capital shares issued and redeemed were:

	Year Ended September 30,	
	2024 Shares (000)	2023 Shares (000)
Issued	139,473	138,419
Issued in Lieu of Cash Distributions	10,156	8,008
Redeemed	(61,037)	(55,574)
Net Increase (Decrease) in Shares Outstanding	88,592	90,853

G. Transactions during the period in affiliated underlying Vanguard funds were as follows:

	Current Period Transactions							Sep. 30, 2024 Market Value (\$000)
	Sep. 30, 2023 Market Value (\$000)	Purchases at Cost (\$000)	Proceeds from Securities Sold ¹ (\$000)	Realized Net Gain (Loss) (\$000)	Change in Unrealized App. (Dep.) (\$000)	Income (\$000)	Capital Gain Distributions Received (\$000)	
Vanguard Market Liquidity Fund	201,765	NA ²	NA ²	6	23	11,144	1	226,399
Vanguard Total Bond Market II Index Fund	1,371,534	578,395	105,248	688	119,921	59,464	—	1,965,290
Vanguard Total International Bond II Index Fund	534,345	333,269	19,131	(318)	37,337	31,280	—	885,502
Vanguard Total International Stock Index Fund	7,092,119	2,101,058	200,345	28,102	1,676,166	262,292	—	10,697,100
Vanguard Total Stock Market Index Fund	10,498,675	1,844,966	251,566	129,038	3,583,071	197,928	—	15,804,184
Total	19,698,438	4,857,688	576,290	157,516	5,416,518	562,108	1	29,578,475

¹ Includes \$401,820,000 of portfolio securities delivered as a result of in-kind redemptions of the fund's capital shares.

² Not applicable—purchases and sales are for temporary cash investment purposes.

H. Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, 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 September 30, 2024, that would require recognition or disclosure in these financial statements.

Financial Statements

Schedule of Investments

As of September 30, 2024

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)
Investment Companies (99.1%)		
U.S. Stock Fund (53.2%)		
Vanguard Total Stock Market Index Fund Institutional Plus Shares	18,207,156	4,708,917
International Stock Fund (36.3%)		
Vanguard Total International Stock Index Fund Investor Shares	154,094,184	3,206,700
U.S. Bond Fund (6.6%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	60,143,015	586,395
International Bond Fund (3.0%)		
¹ Vanguard Total International Bond II Index Fund Institutional Shares	9,774,951	264,510
Total Investment Companies (Cost \$7,115,518)		8,766,522
Temporary Cash Investments (0.9%)		
Money Market Fund (0.9%)		
¹ Vanguard Market Liquidity Fund, 5.014% (Cost \$75,769)	757,885	75,789
Total Investments (100.0%) (Cost \$7,191,287)		8,842,311
Other Assets and Liabilities—Net (0.0%)		646
Net Assets (100%)		8,842,957

Cost is in \$000.

* See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown for Vanguard Market Liquidity Fund is the 7-day yield.

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				
10-Year U.S. Treasury Note	December 2024	270	30,856	36
E-mini S&P 500 Index	December 2024	153	44,479	946
				982

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

Statement of Assets and Liabilities

As of September 30, 2024

(\$000s, except shares, footnotes, and per-share amounts)	Amount
Assets	
Investments in Securities, at Value—Affiliated Funds (Cost \$7,191,287)	8,842,311
Cash Collateral Pledged—Futures Contracts	2,780
Receivables for Accrued Income	2,521
Receivables for Capital Shares Issued	16,917
Variation Margin Receivable—Futures Contracts	54
Total Assets	8,864,583
Liabilities	
Payables for Investment Securities Purchased	12,742
Payables for Capital Shares Redeemed	8,884
Total Liabilities	21,626
Net Assets	8,842,957

At September 30, 2024, net assets consisted of:

Paid-in Capital	7,095,065
Total Distributable Earnings (Loss)	1,747,892
Net Assets	8,842,957

Net Assets

Applicable to 253,660,328 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	8,842,957
Net Asset Value Per Share	\$34.86

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

Statement of Operations

	Year Ended September 30, 2024
	(\$000)
Investment Income	
Income	
Income Distributions Received from Affiliated Funds	159,046
Net Investment Income—Note B	159,046
Realized Net Gain (Loss)	
Capital Gain Distributions Received from Affiliated Funds	—
Affiliated Funds Sold ¹	39,508
Futures Contracts	7,819
Realized Net Gain (Loss)	47,327
Change in Unrealized Appreciation (Depreciation)	
Affiliated Funds	1,525,852
Futures Contracts	2,953
Change in Unrealized Appreciation (Depreciation)	1,528,805
Net Increase (Decrease) in Net Assets Resulting from Operations	1,735,178

¹ Includes \$38,893,000 of net gain (loss) resulting from in-kind redemptions.

Statement of Changes in Net Assets

	Year Ended September 30,	
	2024 (\$000)	2023 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	159,046	97,583
Realized Net Gain (Loss)	47,327	21,392
Change in Unrealized Appreciation (Depreciation)	1,528,805	483,869
Net Increase (Decrease) in Net Assets Resulting from Operations	1,735,178	602,844
Distributions		
Total Distributions	(123,878)	(70,815)
Capital Share Transactions		
Issued	2,941,658	2,130,702
Issued in Lieu of Cash Distributions	120,545	68,514
Redeemed	(1,021,065)	(673,806)
Net Increase (Decrease) from Capital Share Transactions	2,041,138	1,525,410
Total Increase (Decrease)	3,652,438	2,057,439
Net Assets		
Beginning of Period	5,190,519	3,133,080
End of Period	8,842,957	5,190,519

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

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended September 30,				
	2024	2023	2022	2021	2020
Net Asset Value, Beginning of Period	\$27.59	\$23.76	\$30.31	\$24.52	\$22.69
Investment Operations					
Net Investment Income ¹	.718	.617	.594	.500	.485
Capital Gain Distributions Received ¹	.000 ²	.000 ²	.005	.017	—
Net Realized and Unrealized Gain (Loss) on Investments	7.169	3.723	(6.543)	5.712	1.802
Total from Investment Operations	7.887	4.340	(5.944)	6.229	2.287
Distributions					
Dividends from Net Investment Income	(.617)	(.510)	(.535)	(.400)	(.457)
Distributions from Realized Capital Gains	—	—	(.071)	(.039)	—
Total Distributions	(.617)	(.510)	(.606)	(.439)	(.457)
Net Asset Value, End of Period	\$34.86	\$27.59	\$23.76	\$30.31	\$24.52
Total Return³	28.95%	18.47%	-20.10%	25.59%	10.11%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$8,843	\$5,191	\$3,133	\$1,430	\$864
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—
Acquired Fund Fees and Expenses	0.08%	0.08%	0.09% ⁴	0.15%	0.15%
Ratio of Net Investment Income to Average Net Assets	2.29%	2.27%	2.13%	1.72%	2.11%
Portfolio Turnover Rate	0% ⁵	1% ⁵	2% ⁵	5%	6%

1 Calculated based on average shares outstanding.

2 Distribution was less than \$.001 per share.

3 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.

4 The Acquired Fund Fees and Expenses (AFFE) of 0.09% reflects the blended amount of expenses for the year ended September 30, 2022. Before the acquisition of Vanguard Institutional Target Retirement 2065 Fund on February 11, 2022, the AFFE was 0.15% on an annualized basis. Following the acquisition, the AFFE was 0.08% on an annualized basis.

5 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares.

Notes to Financial Statements

Vanguard Target Retirement 2065 Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. and international stocks, and U.S. and international bonds. The fund invests a substantial amount of its assets in Vanguard Total Stock Market Index Fund. Financial statements and other information about each underlying fund are available at www.vanguard.com.

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:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Futures Contracts:** The fund uses stock and bond futures contracts to a limited extent, with the objectives of maintaining full exposure to the market and maintaining its target asset allocation. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of investments 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 year ended September 30, 2024, the fund's average investments in long and short futures contracts represented 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **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.

4. **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.

5. **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 borne by the funds in which the fund invests (see Note B). 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 year ended September 30, 2024, the fund did not utilize the credit facilities or the Interfund Lending Program.

6. **Other:** Income and capital gain distributions received are recorded on the ex-dividend 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. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution 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. The FSA provides that expenses otherwise allocable to Vanguard funds-of-funds may be reduced or eliminated to the extent of savings realized by the underlying Vanguard funds by virtue of being part of a fund-of-funds. Accordingly, all expenses for services provided by Vanguard to the fund and all other expenses incurred by the fund during the year ended September 30, 2024, were borne by the underlying Vanguard funds in which the fund invests. The fund's trustees and officers are also trustees and officers, respectively, of the underlying Vanguard funds, as well as directors and employees, respectively, of Vanguard.

C. The fund's SEC registrant (the Vanguard Chester Funds (the "Trust")), certain officers and trustees of the Trust, and The Vanguard Group Inc. (collectively, the "Defendants") were named in putative class action lawsuits filed in 2022 by certain investors (the "Plaintiffs") in the U.S. District Court for the Eastern District of Pennsylvania; these class action lawsuits were later consolidated into one action. The Plaintiffs assert claims related to their allegations that the Defendants improperly decided to lower minimum investment limits in 2020 for the Trust's Institutional Target Retirement funds for certain smaller retirement plan participants, which purportedly harmed certain investors in taxable accounts. Subject to court approval, the parties have reached an agreement in principle to settle the lawsuit. The settlement is not anticipated to have a financial impact on the Trust.

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.

At September 30, 2024, 100% of the market value of the fund's investments and derivatives was determined based on Level 1 inputs.

E. 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 in-kind redemptions and distributions in connection with fund share redemptions were reclassified between the following accounts:

	Amount (\$000)
Paid-in Capital	41,501
Total Distributable Earnings (Loss)	(41,501)

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; and the recognition of unrealized gains or losses from certain derivative contracts. 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	104,073
Undistributed Long-Term Gains	2,038
Net Unrealized Gains (Losses)	1,641,781
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Other Temporary Differences	—
Total	1,747,892

The tax character of distributions paid was as follows:

	Year Ended September 30,	
	2024 Amount (\$000)	2023 Amount (\$000)
Ordinary Income*	123,878	70,815
Long-Term Capital Gains	—	—
Total	123,878	70,815

* Includes short-term capital gains, if any.

As of September 30, 2024, 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	7,200,530
Gross Unrealized Appreciation	1,685,783
Gross Unrealized Depreciation	(44,002)
Net Unrealized Appreciation (Depreciation)	1,641,781

F. Capital shares issued and redeemed were:

	Year Ended September 30,	
	2024 Shares (000)	2023 Shares (000)
Issued	94,300	78,495
Issued in Lieu of Cash Distributions	4,018	2,723
Redeemed	(32,780)	(24,968)
Net Increase (Decrease) in Shares Outstanding	65,538	56,250

G. Transactions during the period in affiliated underlying Vanguard funds were as follows:

	Current Period Transactions							Sep. 30, 2024 Market Value (\$000)
	Sep. 30, 2023 Market Value (\$000)	Purchases at Cost (\$000)	Proceeds from Securities Sold ¹ (\$000)	Realized Net Gain (Loss) (\$000)	Change in Unrealized App. (Dep.) (\$000)	Income (\$000)	Capital Gain Distributions Received (\$000)	
Vanguard Market Liquidity Fund	61,345	NA ²	NA ²	2	8	3,721	—	75,789
Vanguard Total Bond Market II Index Fund	356,384	211,260	14,948	227	33,472	16,577	—	586,395
Vanguard Total International Bond II Index Fund	141,395	117,408	4,816	(47)	10,570	8,695	—	264,510
Vanguard Total International Stock Index Fund	1,864,657	911,008	52,225	8,787	474,473	73,966	—	3,206,700
Vanguard Total Stock Market Index Fund	2,763,712	979,540	72,203	30,539	1,007,329	56,087	—	4,708,917
Total	5,187,493	2,219,216	144,192	39,508	1,525,852	159,046	—	8,842,311

¹ Includes \$121,340,000 of portfolio securities delivered as a result of in-kind redemptions of the fund's capital shares.

² Not applicable—purchases and sales are for temporary cash investment purposes.

H. Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, 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 September 30, 2024, that would require recognition or disclosure in these financial statements.

Financial Statements

Schedule of Investments

As of September 30, 2024

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)
Investment Companies (99.9%)		
U.S. Stock Fund (54.1%)		
Vanguard Total Stock Market Index Fund Institutional Plus Shares	2,168,205	560,763
International Stock Fund (35.8%)		
Vanguard Total International Stock Index Fund Investor Shares	17,854,504	371,552
U.S. Bond Fund (7.0%)		
¹ Vanguard Total Bond Market II Index Fund Investor Shares	7,406,082	72,209
International Bond Fund (3.0%)		
¹ Vanguard Total International Bond II Index Fund Institutional Shares	1,143,080	30,932
Total Investment Companies (Cost \$890,247)		1,035,456
Temporary Cash Investments (0.2%)		
Money Market Fund (0.2%)		
¹ Vanguard Market Liquidity Fund, 5.014% (Cost \$1,679)	16,794	1,679
Total Investments (100.1%) (Cost \$891,926)		1,037,135
Other Assets and Liabilities—Net (-0.1%)		(1,037)
Net Assets (100%)		1,036,098

Cost is in \$000.

* See Note A in Notes to Financial Statements.

¹ Affiliated fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown for Vanguard Market Liquidity Fund is the 7-day yield.

Statement of Assets and Liabilities

As of September 30, 2024

(\$000s, except shares, footnotes, and per-share amounts)	Amount
Assets	
Investments in Securities, at Value—Affiliated Funds (Cost \$891,926)	1,037,135
Receivables for Accrued Income	268
Receivables for Capital Shares Issued	5,137
Total Assets	1,042,540
Liabilities	
Payables for Investment Securities Purchased	2,905
Payables for Capital Shares Redeemed	3,537
Total Liabilities	6,442
Net Assets	1,036,098

At September 30, 2024, net assets consisted of:

Paid-in Capital	881,659
Total Distributable Earnings (Loss)	154,439
Net Assets	1,036,098

Net Assets

Applicable to 37,566,535 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	1,036,098
Net Asset Value Per Share	\$27.58

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

Statement of Operations

	Year Ended September 30, 2024
	(\$000)
Investment Income	
Income	
Income Distributions Received from Affiliated Funds	14,595
Net Investment Income—Note B	14,595
Realized Net Gain (Loss)	
Capital Gain Distributions Received from Affiliated Funds	—
Affiliated Funds Sold	(286)
Futures Contracts	38
Realized Net Gain (Loss)	(248)
Change in Unrealized Appreciation (Depreciation) from Affiliated Funds	143,467
Net Increase (Decrease) in Net Assets Resulting from Operations	157,814

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

Statement of Changes in Net Assets

	Year Ended September 30,	
	2024 (\$000)	2023 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	14,595	3,677
Realized Net Gain (Loss)	(248)	(30)
Change in Unrealized Appreciation (Depreciation)	143,467	4,653
Net Increase (Decrease) in Net Assets Resulting from Operations	157,814	8,300
Distributions		
Total Distributions	(7,044)	(626)
Capital Share Transactions		
Issued	730,478	317,437
Issued in Lieu of Cash Distributions	6,795	608
Redeemed	(166,624)	(42,943)
Net Increase (Decrease) from Capital Share Transactions	570,649	275,102
Total Increase (Decrease)	721,419	282,776
Net Assets		
Beginning of Period	314,679	31,903
End of Period	1,036,098	314,679

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

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended September 30,		June 28, 2022 ¹ to
	2024	2023	September 30, 2022
Net Asset Value, Beginning of Period	\$21.72	\$18.50	\$20.00
Investment Operations			
Net Investment Income ²	.567	.523	.113
Capital Gain Distributions Received ²	.000 ³	—	—
Net Realized and Unrealized Gain (Loss) on Investments	5.666	2.879	(1.613)
Total from Investment Operations	6.233	3.402	(1.500)
Distributions			
Dividends from Net Investment Income	(.373)	(.182)	—
Distributions from Realized Capital Gains	—	—	—
Total Distributions	(.373)	(.182)	—
Net Asset Value, End of Period	\$27.58	\$21.72	\$18.50
Total Return⁴	28.98%	18.49%	-7.50%
Ratios/Supplemental Data			
Net Assets, End of Period (Millions)	\$1,036	\$315	\$32
Ratio of Total Expenses to Average Net Assets	—	—	—
Acquired Fund Fees and Expenses	0.08%	0.08%	0.08% ⁵
Ratio of Net Investment Income to Average Net Assets	2.27%	2.40%	2.15% ⁵
Portfolio Turnover Rate	1%	2%	44%

1 Inception.

2 Calculated based on average shares outstanding.

3 Distribution was less than \$.001 per share.

4 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.

5 Annualized.

Notes to Financial Statements

Vanguard Target Retirement 2070 Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund follows a balanced investment strategy by investing in selected Vanguard funds to achieve its targeted allocation of assets to U.S. and international stocks, and U.S. and international bonds. The fund invests a substantial amount of its assets in Vanguard Total Stock Market Index Fund. Financial statements and other information about each underlying fund are available at www.vanguard.com.

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:** Investments are valued at the net asset value of each underlying Vanguard fund determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date.

2. **Futures Contracts:** The fund uses stock and bond futures contracts to a limited extent, with the objectives of maintaining full exposure to the market and maintaining its target asset allocation. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of investments 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 year ended September 30, 2024, the fund's average investments in long and short futures contracts represented less than 1% of net assets, based on the average of the notional amounts at each quarter-end during the period. The fund had no open futures contracts at September 30, 2024.

3. **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.

4. **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.

5. **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 borne by the funds in which the fund invests (see Note B). 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 year ended September 30, 2024, the fund did not utilize the credit facilities or the Interfund Lending Program.

6. **Other:** Income and capital gain distributions received are recorded on the ex-dividend 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. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution 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. The FSA provides that expenses otherwise allocable to Vanguard funds-of-funds may be reduced or eliminated to the extent of savings realized by the underlying Vanguard funds by virtue of being part of a fund-of-funds. Accordingly, all expenses for services provided by Vanguard to the fund and all other expenses incurred by the fund during the year ended September 30, 2024, were borne by the underlying Vanguard funds in which the fund invests. The fund's trustees and officers are also trustees and officers, respectively, of the underlying Vanguard funds, as well as directors and employees, respectively, of Vanguard.

C. Various inputs may be used to determine the value of the fund's investments. 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 valued with significant unobservable inputs are noted on the Schedule of Investments.

At September 30, 2024, 100% of the market value of the fund's investments 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 distributions in connection with fund share redemptions were reclassified between the following accounts:

	Amount (\$000)
Paid-in Capital	457
Total Distributable Earnings (Loss)	(457)

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. 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	10,290
Undistributed Long-Term Gains	14
Net Unrealized Gains (Losses)	144,135
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Other Temporary Differences	—
Total	154,439

The tax character of distributions paid was as follows:

	Year Ended September 30,	
	2024 Amount (\$000)	2023 Amount (\$000)
Ordinary Income*	7,044	626
Long-Term Capital Gains	—	—
Total	7,044	626

* Includes short-term capital gains, if any.

As of September 30, 2024, gross unrealized appreciation and depreciation for investments based on cost for U.S. federal income tax purposes were as follows:

	Amount (\$000)
Tax Cost	893,000
Gross Unrealized Appreciation	145,231
Gross Unrealized Depreciation	(1,096)
Net Unrealized Appreciation (Depreciation)	144,135

E. Capital shares issued and redeemed were:

	Year Ended September 30,	
	2024 Shares (000)	2023 Shares (000)
Issued	29,511	14,713
Issued in Lieu of Cash Distributions	286	31
Redeemed	(6,716)	(1,983)
Net Increase (Decrease) in Shares Outstanding	23,081	12,761

F. Transactions during the period in affiliated underlying Vanguard funds were as follows:

	Current Period Transactions							Sep. 30, 2024 Market Value (\$000)
	Sep. 30, 2023 Market Value (\$000)	Purchases at Cost (\$000)	Proceeds from Securities Sold (\$000)	Realized Net Gain (Loss) (\$000)	Change in Unrealized App. (Dep.) (\$000)	Income (\$000)	Capital Gain Distributions Received (\$000)	
Vanguard Market Liquidity Fund	1,253	NA ¹	NA ¹	1	—	52	—	1,679
Vanguard Total Bond Market II Index Fund	22,081	47,552	697	8	3,265	1,628	—	72,209
Vanguard Total International Bond II Index Fund	9,434	20,737	239	5	995	771	—	30,932
Vanguard Total International Stock Index Fund	113,108	216,338	3,214	(72)	45,392	6,685	—	371,552
Vanguard Total Stock Market Index Fund	169,577	300,492	2,893	(228)	93,815	5,459	—	560,763
Total	315,453	585,119	7,043	(286)	143,467	14,595	—	1,037,135

¹ Not applicable—purchases and sales are for temporary cash investment purposes.

G. Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, 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.

H. Management has determined that no events or transactions occurred subsequent to September 30, 2024, that would require recognition or disclosure in these financial statements.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard Chester Funds and Shareholders of Vanguard Target Retirement 2045 Fund, Vanguard Target Retirement 2050 Fund, Vanguard Target Retirement 2055 Fund, Vanguard Target Retirement 2060 Fund, Vanguard Target Retirement 2065 Fund and Vanguard Target Retirement 2070 Fund

Opinions on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of each of the funds indicated in the table below (six of the funds constituting Vanguard Chester Funds, hereafter collectively referred to as the "Funds") as of September 30, 2024, the related statements of operations and of changes in net assets for each of the periods indicated in the table below, including the related notes, and the financial highlights for each of the periods indicated in the table below (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of September 30, 2024, the results of each of their operations, the changes in each of their net assets, and each of the financial highlights for each of the periods indicated in the table below, in conformity with accounting principles generally accepted in the United States of America.

Vanguard Target Retirement 2045 Fund (1)
Vanguard Target Retirement 2050 Fund (1)
Vanguard Target Retirement 2055 Fund (1)
Vanguard Target Retirement 2060 Fund (1)
Vanguard Target Retirement 2065 Fund (1)
Vanguard Target Retirement 2070 Fund (2)

(1) The related statement of operations for the year ended September 30, 2024, the statement of changes in net assets for each of the two years in the period ended September 30, 2024 and the financial highlights for each of the five years in the period ended September 30, 2024.

(2) The related statement of operations for the year ended September 30, 2024, the statement of changes in net assets for each of the two years in the period ended September 30, 2024 and the financial highlights for each of the two years in the period ended September 30, 2024 and for the period June 28, 2022 (inception) through September 30, 2022.

Basis for Opinions

These financial statements are the responsibility of the Funds' management. Our responsibility is to express an opinion on the Funds' financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of September 30, 2024 by correspondence with the transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
November 20, 2024

We have served as the auditor of one or more investment companies in The Vanguard Group of Funds since 1975.

Tax information (unaudited)

The following percentages, or if subsequently determined to be different, the maximum percentages allowable by law, of ordinary income (dividend income plus short-term gains, if any) for the fiscal year qualified for the dividends-received deduction for corporate shareholders.

Fund	Percentage
Target Retirement 2045 Fund	27.5%
Target Retirement 2050 Fund	30.1
Target Retirement 2055 Fund	30.1
Target Retirement 2060 Fund	29.9
Target Retirement 2065 Fund	29.9
Target Retirement 2070 Fund	32.0

The following amounts, or if subsequently determined to be different, the maximum amounts allowable by law, are hereby designated as qualified dividend income for purposes of the maximum rate under section 1(h)(11) for calendar year 2023. Shareholders will be notified in January 2025 via IRS Form 1099 of the amounts for use in preparing their 2024 income tax return.

Fund	(\$000)
Target Retirement 2045 Fund	1,014,792
Target Retirement 2050 Fund	883,952
Target Retirement 2055 Fund	571,913
Target Retirement 2060 Fund	304,696
Target Retirement 2065 Fund	79,434
Target Retirement 2070 Fund	4,530

The following amounts for the fiscal year, or if subsequently determined to be different, the maximum amounts allowable by law, are hereby designated as interest earned from obligations of the U.S. government which is generally exempt from state income tax.

Fund	(\$000)
Target Retirement 2045 Fund	141,310
Target Retirement 2050 Fund	80,083
Target Retirement 2055 Fund	52,772
Target Retirement 2060 Fund	29,672
Target Retirement 2065 Fund	8,526
Target Retirement 2070 Fund	707

For nonresident alien shareholders, 100% of short-term capital gain dividends distributed by the Target Retirement 2055, Target Retirement 2060, Target Retirement 2065 and Target Retirement 2070 Fund for the fiscal year are qualified short-term capital gains.

The following amounts were distributed as capital gain dividends (20% rate gain distributions) to shareholders during the fiscal year.

Fund	(\$000)
Target Retirement 2045 Fund	572
Target Retirement 2050 Fund	234
Target Retirement 2055 Fund	424
Target Retirement 2060 Fund	209
Target Retirement 2065 Fund	33
Target Retirement 2070 Fund	—

The following percentages, or if subsequently determined to be different, the maximum percentages allowable by law, are hereby designated as ordinary income dividends eligible to be treated as interest income for purposes of section 163(j) and the regulations thereunder for the fiscal year.

Fund	Percentage
Target Retirement 2045 Fund	28.8%
Target Retirement 2050 Fund	19.4
Target Retirement 2055 Fund	19.8
Target Retirement 2060 Fund	20.7
Target Retirement 2065 Fund	22.5
Target Retirement 2070 Fund	32.7

The following amounts, or if subsequently determined to be different, the maximum amounts allowable by law, are hereby designated to shareholders as foreign source income and foreign taxes paid. Form 1099-DIV reports calendar-year amounts that can be included on the income tax return of shareholders.

Fund	Foreign Source Income (\$000)	Foreign Taxes Paid (\$000)
Target Retirement 2045 Fund	826,516	53,614
Target Retirement 2050 Fund	726,865	48,691
Target Retirement 2055 Fund	481,336	32,247
Target Retirement 2060 Fund	266,575	17,862
Target Retirement 2065 Fund	75,087	5,036
Target Retirement 2070 Fund	6,782	456

Item 8: Changes in and Disagreements with Accountants for Open-End Management Investment Companies.

Not applicable.

Item 9: Proxy Disclosures for Open-End Management Investment Companies.

Not applicable.

Item 10: Remuneration Paid to Directors, Officers, and Others of Open-End Management Investment Companies.

Not applicable. The Trustees' Fees and Expenses for the PRIMECAP Fund are included in the financial statements filed under Item 7 of this Form, and those of the Target Retirement Funds are borne by the underlying Vanguard funds in which the funds of the Registrant invest.

Item 11: Statement Regarding Basis for Approval of Investment Advisory Contracts.

Trustees Approve Advisory Arrangement – PRIMECAP Fund

The board of trustees of Vanguard PRIMECAP Fund has renewed the fund's investment advisory arrangement with PRIMECAP Management Company (PRIMECAP). The board determined that renewing the fund's advisory arrangement was in the best interests of the fund and its shareholders.

The board based its decision upon an evaluation of the 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 advisor 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 conducted by the Portfolio Review Department. 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 material 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 arrangement. Rather, it was the totality of the circumstances that drove the board's decision.

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 the advisor. The board considered that PRIMECAP, founded in 1983, is recognized for its long-term approach to growth equity investing. Five experienced portfolio managers are responsible for separate sub-portfolios, and each portfolio manager employs a fundamental, research-driven approach in seeking to identify companies with long-term growth potential that the market has yet to appreciate. The multi-counselor approach employed by PRIMECAP is designed to emphasize individual decision-making and enable the portfolio managers to invest in their highest-conviction ideas. The advisor's fundamental research focuses on developing opinions independent from Wall Street's consensus and maintaining a long-term horizon. PRIMECAP has managed the fund since its inception in 1984.

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

Investment performance

The board considered the short- and long-term performance of the fund, 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 arrangement 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 rate was also below the peer-group average.

The board did not consider the profitability of PRIMECAP in determining whether to approve the advisory fee, because PRIMECAP is independent of Vanguard and the advisory fee is 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 schedule. The breakpoints reduce the effective rate of the fee as the fund's assets increase.

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