



**Annual Report** | August 31, 2023

# Vanguard U.S. Growth Fund

See the inside front cover for important information about your fund's annual and semiannual shareholder reports.

## Important information about shareholder reports

Beginning in July 2024, amendments adopted by the Securities and Exchange Commission will substantially impact the design, content, and transmission of shareholder reports. Shareholder reports will provide key fund information in a clear and concise format and must be mailed to each shareholder that has not elected to receive the reports electronically. Financial statements will no longer be included in the shareholder report but will be available at [vanguard.com](http://vanguard.com), can be mailed upon request, or can be accessed on the SEC’s website at [www.sec.gov](http://www.sec.gov).

You may elect to receive shareholder reports and other communications from the fund electronically by contacting your financial intermediary (such as a broker-dealer or bank) or, if you invest directly with the fund, by calling Vanguard at one of the phone numbers on the back cover of this report or by logging on to [vanguard.com](http://vanguard.com).

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Please note: The opinions expressed in this report are just that—informed opinions. They should not be considered promises or advice. Also, please keep in mind that the information and opinions cover the period through the date on the front of this report. Of course, the risks of investing in your fund are spelled out in the prospectus.

## Your Fund's Performance at a Glance

- Vanguard U.S. Growth Fund returned 20.19% for Investor Shares and 20.30% for Admiral Shares for the 12 months ended August 31, 2023. The fund's benchmark returned 21.94%.
- Early in the period, inflation in many developed markets began to ease off multidecade highs but remained stubbornly high in some sectors, including services, which felt the effects of a tight labor market. While aggressive interest rate hikes by many major central banks including the Federal Reserve fanned fears of recession, the economy proved more resilient than expected.
- Growth stocks outperformed value stocks for the period, while large-capitalization stocks outperformed small-caps. While both U.S. and international stocks generally posted robust gains, domestic issues outperformed.
- Eight of the fund's sectors posted gains. The greatest contributor was information technology as a result of security selection. Other contributors included health care and communication services. Real estate and consumer staples posted slightly negative returns but were neutral contributors to relative performance.

### Market Barometer

	Average Annual Total Returns Periods Ended August 31, 2023		
	One Year	Three Years	Five Years
<b>Stocks</b>			
Russell 1000 Index (Large-caps)	15.40%	9.93%	10.77%
Russell 2000 Index (Small-caps)	4.65	8.12	3.14
Russell 3000 Index (Broad U.S. market)	14.76	9.81	10.25
FTSE All-World ex US Index (International)	12.02	4.49	3.74
<b>Bonds</b>			
Bloomberg U.S. Aggregate Float Adjusted Index (Broad taxable market)	-1.05%	-4.40%	0.55%
Bloomberg Municipal Bond Index (Broad tax-exempt market)	1.70	-1.32	1.52
FTSE Three-Month U.S. Treasury Bill Index	4.44	1.63	1.68
<b>CPI</b>			
Consumer Price Index	3.67%	5.71%	4.02%

# Advisors' Report

For the 12 months ended August 31, 2023, Vanguard U.S. Growth Fund returned 20.19% for Investor Shares and 20.30% for Admiral Shares. It underperformed its benchmark, the Russell 1000 Growth Index, which returned 21.94%. Your fund is managed by three advisors. The use of multiple independent advisors enhances the fund's diversification by providing exposure to distinct yet complementary investment approaches. It is not uncommon for different advisors to have different views about individual securities or the broader investment environment.

The table on page 5 presents the advisors, the percentage and amount of fund assets that each manages, and brief descriptions of their investment strategies. Each advisor has also prepared a discussion of the investment environment during the fiscal year and of how the portfolio's positioning reflects this assessment. These reports were prepared on September 18, 2023.

**Wellington Management Company LLP**  
Portfolio Manager:

Andrew J. Shilling, CFA,  
Senior Managing Director

U.S. equities rose over the 12 months despite continued volatility. The market continued to grapple with an uncertain path forward for inflationary pressures, monetary policy decisions, and a challenging, supply-constrained operating environment. In the spring, markets faced dividing events as two U.S. regional banks

collapsed, sending cautionary signals to the market, while a tech-driven rally in artificial intelligence (AI)-related stocks helped push share prices higher. These macroeconomic factors have also contributed to a particularly narrow market environment, where a small number of mega-cap companies have driven most of the Russell 1000 Growth Index's returns. For example, the top 10 stocks in the index in the first half of the calendar year have contributed more than 75% of the index's overall return.

Our portion of the fund underperformed. Security selection in the communication services, information technology, and consumer discretionary sectors detracted most from relative performance, while selection within energy, and to a lesser extent, industrials, contributed. This partially offset relative performance. Sector allocation, a residual of our bottom-up security selection process, contributed to results. Underweight exposure to the consumer staples and consumer discretionary sectors also contributed, while an overweight exposure to financials detracted.

Top relative detractors included ZoomInfo Technology, a sales and marketing software company; a lack of exposure to Broadcom, a semiconductor company; and an underweight exposure to Eli Lilly, a pharmaceutical company. Notable relative contributors to performance included Abiomed, a medical device company; MongoDB, a next-generation database company; and Uber Technologies, a

transportation network with ridesharing and food delivery services.

In terms of positioning by sector, the portfolio ended the period most overweight in financials and real estate, and by contrast, most underweight in information technology and consumer discretionary.

We are focused on constructing a balanced portfolio that is not overly tilted to specific macroeconomic outcomes. We are cognizant of a potential slowdown in economic conditions, however, and we are weighing this against the possibility that the economy positively inflects and regains an upward trajectory. We continue to seek companies with deep competitive advantages, strong balance sheets, experienced management teams, and the ability to sustain above-average growth.

### **Jennison Associates LLC**

Portfolio Managers:

Kathleen A. McCarragher, Managing Director

Blair A. Boyer, Managing Director

Our portion of the fund generated strong absolute and relative performance for the 12 months, primarily benefiting from positions in technology and health care.

The fiscal year was dominated by the Federal Reserve's historic campaign of interest rate hikes, which began in March 2022. The success of this effort to lower inflation, along with clearing of the supply chain, resilient consumer spending, and,

most importantly, healthy earnings, have driven our strong performance.

The top performer for our strategy was NVIDIA. This semiconductor designer and manufacturer is the leader in accelerated computing, which is a critical element in the progression of AI.

Our strategy also saw strong returns from positions outside technology. Netflix continued to be a leader in content creation and enjoyed strong subscriber trends. Uber reported record levels of riders, drivers, and margins, as well as its first profitable quarter in the second quarter of 2023. Eli Lilly and Novo Nordisk continued to benefit from their diabetes and obesity medications.

On the negative side, Tesla's stock price fell and partially recovered over the 12 months but was still down for the full period. It remains a meaningful position in our strategy. Atlassian, a company in the software as a service industry, also detracted because of a disappointing slowdown in revenue.

As always, we are focused on our investment time horizon (three to five years) as we think about sizing our existing positions in companies with unique products and services that address demands in growing markets through innovation and agility. We continue to own a broadly diversified portfolio of companies that we believe are positioned to outpace the market averages in performance, revenue increases, and earnings growth over our long-term time horizon.

**Baillie Gifford Overseas Ltd.**

Portfolio Managers:

Tom Slater, Investment Manager, Partner

Gary Robinson, Investment Manager,  
Partner

The scope for disruptive growth is expanding. As the innovation capital of the world, the U.S. is wonderfully placed to deliver the next generation of great growth businesses.

At the same time, the cost of capital has risen from historic lows. This will drive greater differentiation between businesses that are truly great and simply good. The best will manage the shift from “growth at all costs” to “growth with cost control” and will thrive as a result.

This presents a fascinating and potentially extremely rewarding backdrop to be patient and selective growth investors like us. We seek out innovative companies with underappreciated capacity for growth over the next 5–10 years. Although the timing and form of systemic change is impossible to forecast with any reliability, the long-term direction is much more predictable. Our time horizon lends us a different perspective.

Seventy years after the discovery of DNA's double helix structure, we're sure that the next generation of health care will build upon an accelerating understanding of the genetic makeup of our bodies and the diseases that affect us. Moderna delivered disappointing share price returns over the past year, but we are excited by the

potential for its mRNA technology to deliver effective drugs quickly and with high success rates.

We don't know how AI will deploy, but we think it will play a large role in society over the next decade. Our long-standing holding in NVIDIA, the graphics processing unit (GPU) chip maker, has delivered strong returns. We think there is a lot more to come from this key infrastructure provider. We're seeing bold moves from our other holdings. The e-commerce platform Shopify has pivoted its investment plans towards AI as it prioritizes its spending. The education business Duolingo is aiming for human-tutor equivalence within five years based on its progress in building AI into its tools.

The change in operating backdrop has proved challenging for some. We sold our holding in First Republic Bank as its depositors lost confidence and withdrew their funds. We remain alert to potential emerging financial stress and are nimble enough to react. Most of our holdings operate from conservative financing positions—some, like the home furnishings business Wayfair and the communications platform Twilio, have trimmed their cost bases to improve their resilience.

We are confident that our holdings have the capacity to deliver substantial growth. With the breadth of disruption spreading and greater differentiation among businesses, this is an exciting time for long-term investors.

## Vanguard U.S. Growth Fund Investment Advisors

Investment Advisor	Fund Assets Managed		Investment Strategy
	%	\$ Million	
Wellington Management Company LLP	49	18,636	Employs proprietary fundamental research and a rigorous valuation discipline in an effort to invest in high-quality, large-cap, sustainable-growth companies. The investment approach is based on the belief that stock prices often overreact to short-term trends and that bottom-up, intensive research focused on longer-term fundamentals can be used to identify stocks that will outperform the market over time.
Jennison Associates LLC	31	11,457	Uses a research-driven, bottom-up fundamental investment approach to identify and invest in companies with sustainable competitive advantages that we believe can create long-term growth in economic value and generate superior returns for shareholders.
Baillie Gifford Overseas Ltd.	19	7,333	Uses an active, bottom-up approach to identify exceptional growth companies and own them for long periods. Such companies have special cultures, address large market opportunities, and enjoy sustainable competitive advantages. This approach is based on the belief that these factors drive long-term returns, and a long investment horizon enables the inherent asymmetry of equity market returns to be captured.
Cash Investments	1	467	These short-term reserves are invested by Vanguard in equity index products to simulate investment in stocks. Each advisor may also maintain a modest cash position.

## About Your Fund's Expenses

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

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

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

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

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

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

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

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

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



Six Months Ended August 31, 2023

	Beginning Account Value 2/28/2023	Ending Account Value 8/31/2023	Expenses Paid During Period
<b>Based on Actual Fund Return</b>			
U.S. Growth Fund			
Investor Shares	\$1,000.00	\$1,227.30	\$1.68
Admiral™ Shares	1,000.00	1,227.90	1.12
<b>Based on Hypothetical 5% Yearly Return</b>			
U.S. Growth Fund			
Investor Shares	\$1,000.00	\$1,023.69	\$1.53
Admiral Shares	1,000.00	1,024.20	1.02

The calculations are based on expenses incurred in the most recent six-month period. The fund's annualized six-month expense ratios for that period are 0.30% for Investor Shares and 0.20% for Admiral Shares. The dollar amounts shown as "Expenses Paid" are equal to the annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent six-month period, then divided by the number of days in the most recent 12-month period (184/365).

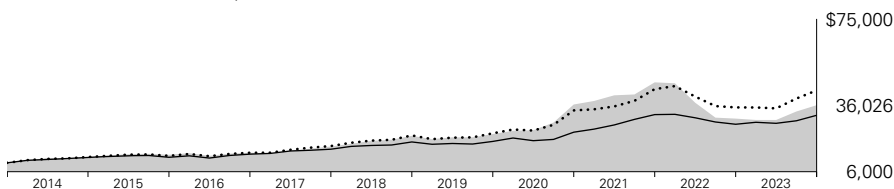
# U.S. Growth Fund

## Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. (Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at [vanguard.com/performance](http://vanguard.com/performance).) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on fund distributions or on the sale of fund shares.

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

Initial Investment of \$10,000



	Average Annual Total Returns Periods Ended August 31, 2023			Final Value of a \$10,000 Investment
	One Year	Five Years	Ten Years	
U.S. Growth Fund Investor Shares	20.19%	10.19%	13.67%	\$36,026
Russell 1000 Growth Index	21.94	13.81	15.63	42,713
Dow Jones U.S. Total Stock Market Float Adjusted Index	14.75	10.12	12.14	31,461

	One Year	Five Years	Ten Years	Final Value of a \$50,000 Investment
U.S. Growth Fund Admiral Shares	20.30%	10.29%	13.80%	\$182,192
Russell 1000 Growth Index	21.94	13.81	15.63	213,567
Dow Jones U.S. Total Stock Market Float Adjusted Index	14.75	10.12	12.14	157,306

See Financial Highlights for dividend and capital gains information.

## Fund Allocation

As of August 31, 2023

Communication Services	13.4%
Consumer Discretionary	19.5
Consumer Staples	1.7
Energy	0.4
Financials	10.4
Health Care	11.0
Industrials	4.0
Information Technology	37.5
Materials	0.1
Real Estate	2.0

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

Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard and Poor's, a division of McGraw-Hill Companies, Inc. ("S&P"), and is licensed for use by Vanguard. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classification makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of its affiliates or any third party involved in making or compiling the GICS or any GICS classification have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

# Financial Statements

## Schedule of Investments

As of August 31, 2023

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

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
<b>Common Stocks (97.3%)</b>			<b>Consumer Staples (1.7%)</b>		
<b>Communication Services (13.0%)</b>			<b>Costco Wholesale Corp.</b>		
* Alphabet Inc. Class C	12,342,047	1,695,180		427,432	234,780
* Meta Platforms Inc. Class A	3,699,823	1,094,741	<b>Constellation Brands Inc. Class A</b>		
* Trade Desk Inc. Class A	8,924,068	714,193		688,741	179,458
* Netflix Inc.	1,254,649	544,116	<b>L'Oreal SA (XPAR)</b>		
* Alphabet Inc. Class A	2,470,423	336,398		253,303	111,259
* ZoomInfo Technologies Inc.	8,838,619	159,272	<b>Estee Lauder Cos. Inc. Class A</b>		
* Roku Inc.	1,556,488	126,387		486,315	78,068
* Pinterest Inc. Class A	4,064,136	111,723	*.1 Oddity Tech Ltd. Class A	711,552	29,594
* Roblox Corp. Class A	3,643,814	103,083			
* Snap Inc. Class A	5,060,705	52,378			
		<b>4,937,471</b>	<b>Energy (0.4%)</b>		
<b>Consumer Discretionary (18.9%)</b>			<b>Schlumberger NV</b>		
* Amazon.com Inc.	19,946,503	2,752,817		2,302,581	135,760
* Tesla Inc.	4,118,517	1,062,907	<b>Financials (10.1%)</b>		
* MercadoLibre Inc.	303,970	417,156	<b>Mastercard Inc. Class A</b>		
* Airbnb Inc. Class A	2,849,902	374,905		2,834,539	1,169,644
* Lululemon Athletica Inc.	798,643	304,491	<b>Visa Inc. Class A</b>		
LVMH Moët Hennessy Louis Vuitton SE	310,336	262,438		2,470,651	606,989
* TJX Cos. Inc.	2,746,416	253,988	<b>* FleetCor Technologies Inc.</b>		
* DoorDash Inc. Class A	2,938,268	247,196		1,188,547	322,964
* Duolingo Inc.	1,339,382	197,103	<b>S&amp;P Global Inc.</b>		
Hilton Worldwide Holdings Inc.	1,235,140	183,604		696,710	272,316
* NIKE Inc. Class B	1,518,099	154,406	<b>Progressive Corp.</b>		
* Wayfair Inc. Class A	2,230,483	154,149		1,838,037	245,323
Marriott International Inc. Class A	582,585	118,562	<b>American Express Co.</b>		
* Home Depot Inc.	337,294	111,408		1,288,004	203,492
* Chipotle Mexican Grill Inc.	50,185	96,688	<b>Blackstone Inc.</b>		
* Chewy Inc. Class A	3,835,660	91,979		1,859,260	197,769
*.1 Mobileye Global Inc. Class A	2,554,460	90,709	<b>MSCI Inc.</b>		
* Sweetgreen Inc. Class A	5,895,814	84,664		1,406,829	178,231
* Coursera Inc.	4,859,454	84,506	<b>Global Payments Inc.</b>		
* Ulta Beauty Inc.	90,184	37,429		852,378	166,205
* Rivian Automotive Inc. Class A	1,612,154	36,644	<b>Marsh &amp; McLennan Cos. Inc.</b>		
* Chegg Inc.	3,068,126	31,326		852,378	166,205
		<b>7,149,075</b>	<b>Ares Management Corp. Class A</b>		
				959,939	99,296
			*.1 Affirm Holdings Inc.	3,158,994	65,739
			<b>MarketAxess Holdings Inc.</b>		
				186,261	44,876
			*.1 Lemonade Inc.	2,076,619	28,574
			*.2 Adyen NV	30,328	25,325
					<b>3,818,978</b>
			<b>Health Care (10.7%)</b>		
			<b>Eli Lilly &amp; Co.</b>		
				1,128,857	625,613
			<b>UnitedHealth Group Inc.</b>		
				1,195,655	569,825
			<b>* Moderna Inc.</b>		
				2,741,956	310,033
			<b>Zoetis Inc.</b>		
				1,402,180	267,129
			<b>Novo Nordisk A/S ADR</b>		
				1,309,262	243,025
			<b>* Vertex Pharmaceuticals Inc.</b>		
				661,374	230,383
			<b>Danaher Corp.</b>		
				782,411	207,339
			<b>* Intuitive Surgical Inc.</b>		
				646,241	202,067
			<b>* Alnylam Pharmaceuticals Inc.</b>		
				965,767	191,048
			<b>* Boston Scientific Corp.</b>		
				3,261,129	175,905
			<b>Stryker Corp.</b>		
				569,393	161,451
			<b>AstraZeneca plc ADR</b>		
				2,263,208	153,491
			<b>* Align Technology Inc.</b>		
				334,982	123,990

## U.S. Growth Fund

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
* Illumina Inc.	668,388	110,431	* Sprout Social Inc. Class A	211,329	11,315
* Penumbra Inc.	329,601	87,179			<b>13,836,862</b>
* Denali Therapeutics Inc.	3,654,850	84,391	<b>Materials (0.1%)</b>		
* Mettler-Toledo International Inc.	64,163	77,861	* <sup>1</sup> Ginkgo Bioworks Holdings Inc.	18,631,948	43,599
* 10X Genomics Inc. Class A	1,351,761	70,089	<b>Real Estate (2.0%)</b>		
* Doximity Inc. Class A	2,291,617	54,632	* CoStar Group Inc.	3,223,352	264,283
* Insulet Corp.	236,383	45,317	* American Tower Corp.	887,345	160,893
* Novocure Ltd.	1,820,759	40,166	* Equinix Inc.	196,009	153,157
* Recursion Pharmaceuticals Inc. Class A	3,591,730	31,248	* Welltower Inc.	1,639,378	135,872
* <sup>1</sup> Sana Biotechnology Inc.	1,840,066	9,844	* Redfin Corp.	4,175,587	39,752
* <sup>3</sup> ABIOMED Inc. CVR	718,252	733			<b>753,957</b>
		<b>4,073,190</b>	<b>Total Common Stocks (Cost \$22,596,302)</b>		<b>36,857,538</b>
<b>Industrials (3.9%)</b>			<b>Preferred Stock (0.1%)</b>		
* Uber Technologies Inc.	11,585,330	547,175	<sup>2</sup> Dr. Ing Hc F Porsche AG (Cost \$45,922)	567,894	62,633
* TransUnion	3,183,559	258,569			
* Watsco Inc.	609,713	222,271	<b>Temporary Cash Investments (3.0%)</b>		
* Copart Inc.	3,490,733	156,490	<b>Money Market Fund (1.8%)</b>		
* General Dynamics Corp.	573,439	129,964	<sup>4,5</sup> Vanguard Market Liquidity Fund, 5.384%	6,756,869	675,619
* Airbus SE ADR	3,127,361	114,680			
* IDEX Corp.	204,672	46,338			
		<b>1,475,487</b>			
<b>Information Technology (36.5%)</b>					
* Microsoft Corp.	9,310,355	3,051,562			
* Apple Inc.	14,664,254	2,754,973			Face Amount (\$000)
* NVIDIA Corp.	5,493,123	2,711,131			
* Shopify Inc. Class A (XTSE)	9,912,562	659,086	<b>Repurchase Agreements (1.2%)</b>		
* Adobe Inc.	767,980	429,562	Bank of America Securities, LLC 5.300%, 9/1/23 (Dated 8/31/23, Repurchase Value \$218,632,000, collateralized by United States Treasury Note/Bond 0.625%–4.125%, 9/30/27–12/31/27, with a value of \$222,972,000)	218,600	218,600
* Salesforce Inc.	1,556,449	344,691			
* Advanced Micro Devices Inc.	2,974,278	314,441			
* Cadence Design Systems Inc.	1,227,287	295,089			
* Snowflake Inc. Class A	1,751,890	274,784			
* Workday Inc. Class A	979,350	239,451			
* ServiceNow Inc.	370,714	218,288			
* Monolithic Power Systems Inc.	390,617	203,594			
* Atlassian Corp. Ltd. Class A	989,422	201,901			
* Cloudflare Inc. Class A	3,101,025	201,660			
* Microchip Technology Inc.	2,265,365	185,398			
* MongoDB Inc.	470,965	179,579			
* Intuit Inc.	301,379	163,290			
* ASML Holding NV GDR (Registered)	236,711	156,355			
* Broadcom Inc.	166,277	153,455			
* Datadog Inc. Class A	1,536,431	148,235			
* Okta Inc.	1,677,562	140,093			
* Twilio Inc. Class A	1,944,690	123,896			
* HubSpot Inc.	211,101	115,371			
* ANSYS Inc.	353,305	112,658			
* Zoom Video Communications Inc. Class A	1,326,918	94,251			
* CrowdStrike Holdings Inc. Class A	526,059	85,763			
* HashiCorp Inc. Class A	2,829,400	82,505			
* VeriSign Inc.	349,638	72,651			
* Micron Technology Inc.	816,805	57,127			
* Samsara Inc. Class A	1,999,522	54,707			

## U.S. Growth Fund

	Face Amount (\$000)	Market Value* (\$000)
Societe Generale 5.280%, 9/1/23 (Dated 8/31/23, Repurchase Value \$227,633,000, collateralized by Ginnie Mae 6.500%, 12/20/52, with a value of \$232,152,000)	227,600	227,600
		<u>446,200</u>
<b>Total Temporary Cash Investments (Cost \$1,121,706)</b>		<b>1,121,819</b>
<b>Total Investments (100.4%) (Cost \$23,763,930)</b>		<b>38,041,990</b>
<b>Other Assets and Liabilities—Net (-0.4%)</b>		<b>(149,068)</b>
<b>Net Assets (100%)</b>		<b>37,892,922</b>

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 \$94,388,000.

2 Security exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be sold in transactions exempt from registration, normally to qualified institutional buyers. At August 31, 2023, the aggregate value was \$87,958,000, representing 0.2% of net assets.

3 Security value determined using significant unobservable inputs.

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 \$106,692,000 was received for securities on loan.  
ADR—American Depositary Receipt.  
CVR—Contingent Value Rights.  
GDR—Global Depositary Receipt.

## Derivative Financial Instruments Outstanding as of Period End

### Futures Contracts

			(\$000)	
	Expiration	Number of Long (Short) Contracts	Notional Amount	Value and Unrealized Appreciation (Depreciation)
<b>Long Futures Contracts</b>				
E-mini S&P 500 Index	September 2023	1,831	413,440	5,166
E-mini S&P Mid-Cap 400 Index	September 2023	222	58,801	1,798
				<u>6,964</u>

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

# Statement of Assets and Liabilities

As of August 31, 2023

(\$000s, except shares, footnotes, and per-share amounts) Amount

<b>Assets</b>	
Investments in Securities, at Value <sup>1</sup>	
Unaffiliated Issuers (Cost \$23,088,424)	37,366,371
Affiliated Issuers (Cost \$675,506)	675,619
Total Investments in Securities	38,041,990
Investment in Vanguard	1,288
Cash	8,112
Cash Collateral Pledged—Futures Contracts	24,446
Foreign Currency, at Value (Cost \$646)	640
Receivables for Investment Securities Sold	264
Receivables for Accrued Income	18,683
Receivables for Capital Shares Issued	7,052
<b>Total Assets</b>	<b>38,102,475</b>
<b>Liabilities</b>	
Payables for Investment Securities Purchased	65,985
Collateral for Securities on Loan	106,692
Payables to Investment Advisor	8,206
Payables for Capital Shares Redeemed	25,300
Payables to Vanguard	2,571
Variation Margin Payable—Futures Contracts	799
<b>Total Liabilities</b>	<b>209,553</b>
<b>Net Assets</b>	<b>37,892,922</b>

<sup>1</sup> Includes \$94,388,000 of securities on loan.

At August 31, 2023, net assets consisted of:

Paid-in Capital	24,715,984
Total Distributable Earnings (Loss)	13,176,938
<b>Net Assets</b>	<b>37,892,922</b>

### Investor Shares—Net Assets

Applicable to 166,836,878 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	8,709,894
<b>Net Asset Value Per Share—Investor Shares</b>	<b>\$52.21</b>

### Admiral Shares—Net Assets

Applicable to 215,675,648 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	29,183,028
<b>Net Asset Value Per Share—Admiral Shares</b>	<b>\$135.31</b>

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

# Statement of Operations

	Year Ended August 31, 2023
	(\$000)
<b>Investment Income</b>	
<b>Income</b>	
Dividends <sup>1</sup>	190,310
Interest <sup>2</sup>	36,000
Securities Lending—Net	3,803
Total Income	230,113
<b>Expenses</b>	
Investment Advisory Fees—Note B	
Basic Fee	46,011
Performance Adjustment	(22,067)
The Vanguard Group—Note C	
Management and Administrative—Investor Shares	17,116
Management and Administrative—Admiral Shares	31,578
Marketing and Distribution—Investor Shares	431
Marketing and Distribution—Admiral Shares	1,291
Custodian Fees	170
Auditing Fees	47
Shareholders' Reports—Investor Shares	198
Shareholders' Reports—Admiral Shares	194
Trustees' Fees and Expenses	18
Other Expenses	157
Total Expenses	75,144
Expenses Paid Indirectly	(280)
Net Expenses	74,864
<b>Net Investment Income</b>	<b>155,249</b>
<b>Realized Net Gain (Loss)</b>	
Investment Securities Sold <sup>2</sup>	(432,202)
Futures Contracts	32,003
Foreign Currencies	(751)
<b>Realized Net Gain (Loss)</b>	<b>(400,950)</b>
<b>Change in Unrealized Appreciation (Depreciation)</b>	
Investment Securities <sup>2</sup>	6,808,857
Futures Contracts	18,828
Foreign Currencies	91
<b>Change in Unrealized Appreciation (Depreciation)</b>	<b>6,827,776</b>
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<b>6,582,075</b>

1 Dividends are net of foreign withholding taxes of \$594,000.

2 Interest income, realized net gain (loss), capital gain distributions received, and change in unrealized appreciation (depreciation) from an affiliated company of the fund were \$22,903,000, \$51,000, \$2,000, and \$9,000, respectively. Purchases and sales are for temporary cash investment purposes.

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



## Statement of Changes in Net Assets

	Year Ended August 31,	
	2023 (\$'000)	2022 (\$'000)
<b>Increase (Decrease) in Net Assets</b>		
<b>Operations</b>		
Net Investment Income	155,249	91,273
Realized Net Gain (Loss)	(400,950)	(336,634)
Change in Unrealized Appreciation (Depreciation)	6,827,776	(18,791,793)
Net Increase (Decrease) in Net Assets Resulting from Operations	6,582,075	(19,037,154)
<b>Distributions</b>		
Investor Shares	(25,805)	(1,376,782)
Admiral Shares	(113,199)	(4,883,411)
Total Distributions	(139,004)	(6,260,193)
<b>Capital Share Transactions</b>		
Investor Shares	(711,024)	131,521
Admiral Shares	(2,320,731)	4,702,896
Net Increase (Decrease) from Capital Share Transactions	(3,031,755)	4,834,417
Total Increase (Decrease)	3,411,316	(20,462,930)
<b>Net Assets</b>		
Beginning of Period	34,481,606	54,944,536
End of Period	37,892,922	34,481,606

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 August 31,				
	2023	2022	2021	2020	2019
<b>Net Asset Value, Beginning of Period</b>	<b>\$43.59</b>	<b>\$76.41</b>	<b>\$62.28</b>	<b>\$41.02</b>	<b>\$43.31</b>
<b>Investment Operations</b>					
Net Investment Income (Loss) <sup>1</sup>	.169	.074	(.013)	.113	.176
Net Realized and Unrealized Gain (Loss) on Investments	8.595	(24.184)	16.700	22.856	.771
Total from Investment Operations	8.764	(24.110)	16.687	22.969	.947
<b>Distributions</b>					
Dividends from Net Investment Income	(.144)	(.001)	(.019)	(.119)	(.132)
Distributions from Realized Capital Gains	—	(8.709)	(2.538)	(1.590)	(3.105)
Total Distributions	(.144)	(8.710)	(2.557)	(1.709)	(3.237)
<b>Net Asset Value, End of Period</b>	<b>\$52.21</b>	<b>\$43.59</b>	<b>\$76.41</b>	<b>\$62.28</b>	<b>\$41.02</b>
<b>Total Return<sup>2</sup></b>	<b>20.19%</b>	<b>-35.32%</b>	<b>27.52%</b>	<b>58.01%</b>	<b>3.70%</b>

## Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$8,710	\$7,935	\$13,405	\$12,410	\$8,819
Ratio of Total Expenses to Average Net Assets <sup>3</sup>	0.30% <sup>4</sup>	0.33% <sup>4</sup>	0.38%	0.38%	0.39%
Ratio of Net Investment Income (Loss) to Average Net Assets	0.38%	0.13%	(0.02%)	0.25%	0.44%
Portfolio Turnover Rate	37%	23%	41%	38%	41%

1 Calculated based on average shares outstanding.

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

3 Includes performance-based investment advisory fee increases (decreases) of (0.06%), (0.02%), 0.03%, 0.02%, and 0.01%.

4 The ratio of expenses to average net assets for the period net of reduction from broker commission abatement arrangements was 0.30% and 0.33%, respectively.

# Financial Highlights

## Admiral Shares

For a Share Outstanding Throughout Each Period	Year Ended August 31,				
	2023	2022	2021	2020	2019
<b>Net Asset Value, Beginning of Period</b>	<b>\$112.99</b>	<b>\$198.03</b>	<b>\$161.42</b>	<b>\$106.30</b>	<b>\$112.28</b>
<b>Investment Operations</b>					
Net Investment Income <sup>1</sup>	.552	.338	.138	.410	.572
Net Realized and Unrealized Gain (Loss) on Investments	22.260	(62.667)	43.277	59.231	1.963
Total from Investment Operations	22.812	(62.329)	43.415	59.641	2.535
<b>Distributions</b>					
Dividends from Net Investment Income	(.492)	(.135)	(.224)	(.401)	(.464)
Distributions from Realized Capital Gains	—	(22.576)	(6.581)	(4.120)	(8.051)
Total Distributions	(.492)	(22.711)	(6.805)	(4.521)	(8.515)
<b>Net Asset Value, End of Period</b>	<b>\$135.31</b>	<b>\$112.99</b>	<b>\$198.03</b>	<b>\$161.42</b>	<b>\$106.30</b>
<b>Total Return<sup>2</sup></b>	<b>20.30%</b>	<b>-35.26%</b>	<b>27.64%</b>	<b>58.17%</b>	<b>3.80%</b>

## Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$29,183	\$26,547	\$41,539	\$27,860	\$17,060
Ratio of Total Expenses to Average Net Assets <sup>3</sup>	0.20% <sup>4</sup>	0.23% <sup>4</sup>	0.28%	0.28%	0.28%
Ratio of Net Investment Income to Average Net Assets	0.48%	0.23%	0.08%	0.35%	0.55%
Portfolio Turnover Rate	37%	23%	41%	38%	41%

1 Calculated based on average shares outstanding.

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

3 Includes performance-based investment advisory fee increases (decreases) of (0.06%), (0.02%), 0.03%, 0.02%, and 0.01%.

4 The ratio of expenses to average net assets for the period net of reduction from broker commission abatement arrangements was 0.20% and 0.23%, respectively.

## Notes to Financial Statements

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

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

3. **Repurchase Agreements:** The fund enters into repurchase agreements with institutional counterparties. Securities pledged as collateral to the fund under repurchase agreements are held by a custodian bank until the agreements mature, and in the absence of a default, such collateral cannot be repledged, resold, or rehypothecated. Each agreement requires that the market value of the collateral be sufficient to cover payments of interest and principal. The fund further mitigates its counterparty risk by entering into repurchase agreements only with a diverse group of prequalified counterparties, monitoring their financial strength, and entering into master repurchase agreements with its counterparties. The master repurchase agreements provide that, in the event of a counterparty's default (including bankruptcy), the fund may terminate any repurchase agreements with that counterparty, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the fund. Such action may be subject to legal proceedings, which may delay or limit the disposition of collateral.

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

Futures contracts are valued at their quoted daily settlement prices. The notional amounts of the contracts are not recorded in the Statement of Assets and Liabilities. Fluctuations in the value of the contracts are recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized gains (losses) on futures contracts.

During the year ended August 31, 2023, 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.

5. **Federal Income Taxes:** The fund intends to continue to qualify as a regulated investment company and distribute virtually all of its 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.

6. **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.

7. **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.

8. 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 August 31, 2023, the fund did not utilize the credit facilities or the Interfund Lending Program.

9. Other: Dividend income is recorded on the ex-dividend date. Non-cash dividends included in income, if any, are recorded at the fair value of the securities received. Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Premiums and discounts on debt securities are amortized and accreted, respectively, to interest income over the lives of the respective securities, except for premiums on certain callable debt securities that are amortized to the earliest call date. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

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) and shareholder reporting. 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.** The investment advisory firms Wellington Management Company LLP, Jennison Associates LLC, and Baillie Gifford Overseas Ltd., each provide investment advisory services to a portion of the fund for a fee calculated at an annual percentage rate of average net assets managed by the advisor. The basic fees of Wellington Management Company LLP and Jennison Associates LLC are subject to quarterly adjustments based on performance relative to the Russell 1000 Growth Index for the preceding three years. The basic fee of Baillie Gifford Overseas Ltd. is subject to quarterly adjustments based on performance relative to the S&P 500 Index for the preceding three years.

Until May 2023, Vanguard provided investment advisory services to a portion of the fund. The fund paid Vanguard advisory fees of \$1,205,000 for the year ended August 31, 2023. Vanguard manages the cash reserves of the fund as described below.

For the year ended August 31, 2023, the aggregate investment advisory fee paid to all advisors represented an effective annual basic rate of 0.13% of the fund's average net assets, before a net decrease of \$22,067,000 (0.06%) based on performance.

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

Upon the request of Vanguard, the fund may invest up to 0.40% of its net assets as capital in Vanguard. At August 31, 2023, the fund had contributed to Vanguard capital in the amount of \$1,288,000, representing less than 0.01% of the fund's net assets and 0.52% of Vanguard's capital received pursuant to the FSA. The fund's trustees and officers are also directors and employees, respectively, of Vanguard.

**D.** The fund has asked its investment advisors to direct certain security trades, subject to obtaining the best price and execution, to brokers who have agreed to rebate to the fund part of the commissions generated. Such rebates are used solely to reduce the fund's management and administrative expenses. For the year ended August 31, 2023, these arrangements reduced the fund's expenses by \$280,000 (an annual rate of less than 0.01% of average net assets).

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

**Level 1**—Quoted prices in active markets for identical securities.

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

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

The following table summarizes the market value of the fund's investments and derivatives as of August 31, 2023, based on the inputs used to value them:

	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)	Total (\$000)
<b>Investments</b>				
<b>Assets</b>				
Common Stocks	36,457,783	399,022	733	36,857,538
Preferred Stock	—	62,633	—	62,633
Temporary Cash Investments	675,619	446,200	—	1,121,819
<b>Total</b>	<b>37,133,402</b>	<b>907,855</b>	<b>733</b>	<b>38,041,990</b>

**Derivative Financial Instruments**

**Assets**

Futures Contracts <sup>1</sup>	6,964	—	—	6,964
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<sup>1</sup> Includes cumulative appreciation (depreciation) on futures contracts and centrally cleared swaps, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statement of Assets and Liabilities.

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 applicable foreign currency transactions were reclassified between the individual components of total distributable earnings (loss).

Temporary differences between book-basis and tax-basis components of total distributable earnings (loss) arise when certain items of income, gain, or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. The differences are primarily related to capital loss carryforwards; 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:



## U.S. Growth Fund

	Amount (\$000)
Undistributed Ordinary Income	97,182
Undistributed Long-Term Gains	—
Net Unrealized Gains (Losses)	13,952,981
Capital Loss Carryforwards	(873,225)
Qualified Late-Year Losses	—
Other Temporary Differences	—
Total	13,176,938

The tax character of distributions paid was as follows:

	Year Ended August 31,	
	2023 Amount (\$000)	2022 Amount (\$000)
Ordinary Income*	139,004	1,153,596
Long-Term Capital Gains	—	5,106,597
Total	139,004	6,260,193

\* Includes short-term capital gains, if any.

As of August 31, 2023, gross unrealized appreciation and depreciation for investments and derivatives based on cost for U.S. federal income tax purposes were as follows:

	Amount (\$000)
Tax Cost	24,089,016
Gross Unrealized Appreciation	17,537,317
Gross Unrealized Depreciation	(3,584,343)
Net Unrealized Appreciation (Depreciation)	13,952,974

G. During the year ended August 31, 2023, the fund purchased \$12,504,343,000 of investment securities and sold \$15,358,338,000 of investment securities, other than temporary cash investments.

The fund purchased securities from and sold securities to other funds or accounts managed by its investment advisors or their affiliates, in accordance with procedures adopted by the board of trustees in compliance with Rule 17a-7 of the Investment Company Act of 1940. For the year ended August 31, 2023, such purchases were \$24,103,000 and sales were \$11,400,000, resulting in net realized loss of \$816,000; these amounts, other than temporary cash investments, are included in the purchases and sales of investment securities noted above.

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

	Year Ended August 31,			
	2023		2022	
	Amount (\$000)	Shares (000)	Amount (\$000)	Shares (000)
<b>Investor Shares</b>				
Issued	592,236	13,160	1,523,268	28,740
Issued in Lieu of Cash Distributions	25,011	599	1,326,967	20,374
Redeemed	(1,328,271)	(28,956)	(2,718,714)	(42,517)
Net Increase (Decrease)—Investor Shares	(711,024)	(15,197)	131,521	6,597
<b>Admiral Shares</b>				
Issued	2,081,981	17,879	5,943,274	38,050
Issued in Lieu of Cash Distributions	105,916	980	4,578,807	27,142
Redeemed	(4,508,628)	(38,120)	(5,819,185)	(40,021)
Net Increase (Decrease)—Admiral Shares	(2,320,731)	(19,261)	4,702,896	25,171

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

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

The use of derivatives may expose the fund to various risks. Derivatives can be highly volatile, and any initial investment is generally small relative to the notional amount so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard securities. Leveraged derivatives positions can, therefore, increase volatility. Additional information regarding the fund's use of derivative(s) and the specific risks associated is described under significant accounting policies.

J. Management has determined that no events or transactions occurred subsequent to August 31, 2023, that would require recognition or disclosure in these financial statements.

# Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard World Fund and Shareholders of Vanguard U.S. Growth Fund

## Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Vanguard U.S. Growth Fund (one of the funds constituting Vanguard World Fund, referred to hereafter as the "Fund") as of August 31, 2023, the related statement of operations for the year ended August 31, 2023, the statement of changes in net assets for each of the two years in the period ended August 31, 2023, including the related notes, and the financial highlights for each of the five years in the period ended August 31, 2023 (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 August 31, 2023, 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 August 31, 2023 and the financial highlights for each of the five years in the period ended August 31, 2023 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 August 31, 2023 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  
October 19, 2023

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

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**Tax information (unaudited)**

For corporate shareholders, 100%, 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 \$139,006,000, or if subsequently determined to be different, the maximum amount allowable by law, as qualified dividend income for individual shareholders for the fiscal year.

The fund hereby designates \$5,121,000, 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.

## Trustees Approve Advisory Arrangement

At its March 2023 meeting, the board of trustees of Vanguard U.S. Growth Fund renewed the fund's investment advisory arrangement with the Vanguard Group Inc. (Vanguard), through its Quantitative Equity Group. The board determined that renewing the fund's advisory arrangement was in the best interests of the fund and its shareholders.

At its May 2023 meeting, the board approved restructuring the fund's investment team by removing Vanguard, through its Quantitative Equity Group, as an investment advisor to the fund. The board determined that Vanguard's termination was in the best interests of the fund and its shareholders. Jennison Associates LLC (Jennison), Wellington Management Company LLP (Wellington Management), and Baillie Gifford Overseas Ltd. (Baillie Gifford) continue to serve as advisors to the fund.

The board based its decisions 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. 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 advisors.

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

### **Nature, extent, and quality of services**

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

The board considered that Vanguard has been managing investments for more than four decades. The Quantitative Equity Group adheres to a sound, disciplined investment management process; the team has considerable experience, stability, and depth. Vanguard has managed a portion of the fund since 2019.

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

**Investment performance**

The board considered the performance of Vanguard's subportfolio since its inception in 2019, including any periods of outperformance or underperformance compared with a relevant benchmark index and peer group. At the March 2023 meeting, the board concluded that the performance was such that the advisory arrangement with Vanguard 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 expense rate was also below the peer-group average.

The board does not conduct a profitability analysis of Vanguard because of Vanguard's unique structure. Unlike most other mutual fund management companies, Vanguard is owned by the funds it oversees.

**The benefit of economies of scale**

The board concluded that the fund's arrangement with Vanguard ensures that the fund will realize economies of scale as it grows, with the cost to shareholders declining as the fund's assets managed by Vanguard increase.

The board will consider whether to renew the advisory arrangements with Jennison, Wellington Management, or Baillie Gifford again after a one-year period.

## Liquidity Risk Management

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

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

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

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# The People Who Govern Your Fund

The trustees of your mutual fund are there to see that the fund is operated and managed in your best interests since, as a shareholder, you are a part owner of the fund. Your fund's trustees also serve on the board of directors of The Vanguard Group, Inc., which is owned by the Vanguard funds and provides services to them.

A majority of Vanguard's board members are independent, meaning that they have no affiliation with Vanguard or the funds they oversee, apart from the sizable personal investments they have made as private individuals. The independent board members have distinguished backgrounds in business, academia, and public service. Each of the trustees and executive officers oversees 205 Vanguard funds.

Information for each trustee and executive officer of the fund appears below. That information, as well as the Vanguard fund count, is as of the date on the cover of this fund report. The mailing address of the trustees and officers is P.O. Box 876, Valley Forge, PA 19482. More information about the trustees is in the *Statement of Additional Information*, which can be obtained, without charge, by contacting Vanguard at 800-662-7447, or online at [vanguard.com](http://vanguard.com).

## Interested Trustee<sup>1</sup>

### **Mortimer J. Buckley**

Born in 1969. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: chairman of the board (2019–present) of Vanguard and of each of the investment companies served by Vanguard; chief executive officer (2018–present) of Vanguard; chief executive officer, president, and trustee (2018–present) of each of the investment companies served by Vanguard; president and director (2017–present) of Vanguard; and president (2018–present) of Vanguard Marketing Corporation. Chief investment officer (2013–2017), managing director (2002–2017), head of the Retail Investor Group (2006–2012), and chief information officer (2001–2006) of Vanguard. Member of the board of governors of the Investment Company Institute and the board of governors of FINRA.

## Independent Trustees

### **Tara Bunch**

Born in 1962. Trustee since November 2021. Principal occupation(s) during the past five years and other experience: head of global operations at Airbnb (2020–present). Vice president of AppleCare (2012–2020). Member of the board of directors of Out & Equal, the advisory board of the University of California, Berkeley School of Engineering, and the advisory board of Santa Clara University's Leavey School of Business.

### **Emerson U. Fullwood**

Born in 1948. Trustee since January 2008. Principal occupation(s) during the past five years and other experience: executive chief staff and marketing officer for North America and corporate vice president (retired 2008) of Xerox Corporation (document management products and services). Former president of the Worldwide Channels Group, Latin America, and Worldwide Customer Service and executive chief staff officer of Developing Markets of Xerox. Executive in residence and 2009–2010 Distinguished Minett Professor at the Rochester Institute of Technology. Member of the board of directors of the University of Rochester Medical Center, the Monroe Community College Foundation, the United Way of Rochester, North Carolina A&T University, Roberts Wesleyan College, and the Rochester Philharmonic Orchestra. Trustee of the University of Rochester.

### **F. Joseph Loughrey**

Born in 1949. Trustee since October 2009. Principal occupation(s) during the past five years and other experience: president and chief operating officer (retired 2009) and vice chairman of the board (2008–2009) of Cummins Inc. (industrial machinery). Director of the V Foundation. Member of the advisory council for the College of Arts and Letters at the University of Notre Dame. Chairman of the board of Saint Anselm College.

### **Mark Loughridge**

Born in 1953. Trustee since March 2012. Principal occupation(s) during the past five years and other experience: senior vice president and chief financial

<sup>1</sup> Mr. Buckley is considered an "interested person," as defined in the Investment Company Act of 1940, because he is an officer of the Vanguard funds.

officer (retired 2013) of IBM (information technology services). Fiduciary member of IBM's Retirement Plan Committee (2004–2013), senior vice president and general manager (2002–2004) of IBM Global Financing, vice president and controller (1998–2002) of IBM, and a variety of other prior management roles at IBM. Member of the Council on Chicago Booth.

#### **Scott C. Malpass**

Born in 1962. Trustee since March 2012. Principal occupation(s) during the past five years and other experience: chief investment officer (retired 2020) and vice president (retired 2020) of the University of Notre Dame. Chair of the board of Catholic Investment Services, Inc. (investment advisors). Member of the board of superintendence of the Institute for the Works of Religion, the Notre Dame 403(b) Investment Committee, and the board of directors of Paxos Trust Company (finance).

#### **Deanna Mulligan**

Born in 1963. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: chief executive officer of Purposeful (advisory firm for CEOs and C-level executives; 2021–present). Board chair (2020), chief executive officer (2011–2020), and president (2010–2019) of The Guardian Life Insurance Company of America. Chief operating officer (2010–2011) and executive vice president (2008–2010) of Individual Life and Disability of the Guardian Life Insurance Company of America. Director of DuPont. Member of the board of the Economic Club of New York. Trustee of the Partnership for New York City (business leadership), Chief Executives for Corporate Purpose, and the NewYork-Presbyterian Hospital.

#### **André F. Perold**

Born in 1952. Trustee since December 2004. Principal occupation(s) during the past five years and other experience: George Gund Professor of Finance and Banking, Emeritus at the Harvard Business School (retired 2011). Chief investment officer and partner of HighVista Strategies (private investment firm). Member of the board of RIT Capital Partners (investment firm).

#### **Sarah Bloom Raskin**

Born in 1961. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: deputy secretary (2014–2017) of the United States Department of the Treasury. Governor (2010–2014) of the Federal Reserve Board. Commissioner (2007–2010) of financial regulation for the State of Maryland. Colin W. Brown Distinguished Professor of the Practice of Law, Duke Law School (2021–present); Rubenstein Fellow, Duke University (2017–2020); Distinguished Fellow of the Global Financial Markets Center, Duke Law School (2020–2022); and Senior Fellow, Duke Center on Risk

(2020–present). Partner of Kaya Partners (climate policy advisory services). Member of the board of directors of Arcadia (energy solution technology).

#### **Grant Reid**

Born in 1959. Trustee since July 2023. Principal occupation(s) during the past five years and other experience: chief executive officer and president (2014–2022) and member of the board of directors (2015–2022) of Mars, Incorporated (multinational manufacturer). Member of the board of directors of Marriott International, Inc. Chair of Agribusiness Task Force, Sustainable Markets Initiative.

#### **David Thomas**

Born in 1956. Trustee since July 2021. Principal occupation(s) during the past five years and other experience: president of Morehouse College (2018–present). Professor of business administration, emeritus at Harvard University (2017–2018). Dean (2011–2016) and professor of management (2016–2017) at the Georgetown University McDonough School of Business. Director of DTE Energy Company. Trustee of Common Fund.

#### **Peter F. Volanakis**

Born in 1955. Trustee since July 2009. Principal occupation(s) during the past five years and other experience: president and chief operating officer (retired 2010) of Corning Incorporated (communications equipment) and director of Corning Incorporated (2000–2010) and Dow Corning (2001–2010). Director (2012) of SPX Corporation (multi-industry manufacturing). Overseer of the Amos Tuck School of Business Administration, Dartmouth College (2001–2013). Member of the BMW Group Mobility Council.

## Executive Officers

### Jacqueline Angell

Born in 1974. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief compliance officer (November 2022–present) of Vanguard and of each of the investment companies served by Vanguard. Chief compliance officer (2018–2022) and deputy chief compliance officer (2017–2019) of State Street.

### Christine M. Buchanan

Born in 1970. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief financial officer (2021–present) and treasurer (2017–2022) of each of the investment companies served by Vanguard. Partner (2005–2017) at KPMG (audit, tax, and advisory services).

### John Galloway

Born in 1973. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Investment stewardship officer (September 2020–present) of each of the investment companies served by Vanguard. Head of Investor Advocacy (February 2020–present) and head of Marketing Strategy and Planning (2017–2020) at Vanguard. Special assistant to the President of the United States (2015).

### Ashley Grim

Born in 1984. Principal occupation(s) during the past five years and other experience: treasurer (February 2022–present) of each of the investment companies served by Vanguard. Fund transfer agent controller (2019–2022) and director of Audit Services (2017–2019) at Vanguard. Senior manager (2015–2017) at PriceWaterhouseCoopers (audit and assurance, consulting, and tax services).

### Jodi Miller

Born in 1980. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2022–present) of each of the investment companies served by Vanguard. Head of Enterprise Investment Services (2020–present), head of Retail Client Services and Operations (2020–2022), and head of Retail Strategic Support (2018–2020) at Vanguard.

### Anne E. Robinson

Born in 1970. Principal occupation(s) during the past five years and other experience: general counsel (2016–present) of Vanguard. Secretary (2016–present) of Vanguard and of each of the investment companies served by Vanguard. Managing director (2016–present) of Vanguard. Managing director and general counsel of Global Cards and Consumer Services (2014–2016) at Citigroup. Counsel (2003–2014) at American Express. Nonexecutive director (2022–present) of the board of National Grid (energy).

### Michael Rollings

Born in 1963. Principal occupation(s) during the past five years and other experience: finance director (2017–present) and treasurer (2017) of each of the investment companies served by Vanguard. Managing director (2016–present) of Vanguard. Chief financial officer (2016–present) of Vanguard. Director (2016–present) of Vanguard Marketing Corporation. Executive vice president and chief financial officer (2006–2016) of MassMutual Financial Group.

## Vanguard Senior Management Team

Matthew Benchener

Joseph Brennan

Mortimer J. Buckley

Gregory Davis

John James

Chris D. McIsaac

Thomas M. Rampulla

Karin A. Risi

Anne E. Robinson

Michael Rollings

Nitin Tandon

Lauren Valente



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

All comparative mutual fund data are from Morningstar, Inc., unless otherwise noted.

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

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

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