

**Annual Report** | October 31, 2020

# Vanguard STAR<sup>®</sup> Fund

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

## Important information about access to shareholder reports

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of your fund’s annual and semiannual shareholder reports will no longer be sent to you by mail, unless you specifically request them. Instead, you will be notified by mail each time a report is posted on the website and will be provided with a link to access the report.

If you have already elected to receive shareholder reports electronically, you will not be affected by this change and do not need to take any action. 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](https://vanguard.com).

You may elect to receive paper copies of all future shareholder reports free of charge. If you invest through a financial intermediary, you can contact the intermediary to request that you continue to receive paper copies. If you invest directly with the fund, you can call Vanguard at one of the phone numbers on the back cover of this report or log on to [vanguard.com](https://vanguard.com). Your election to receive paper copies will apply to all the funds you hold through an intermediary or directly with Vanguard.

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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

- For the 12 months ended October 31, 2020, Vanguard STAR Fund returned 11.75%, ahead of the 7.59% return of its composite index.
- The period was marked by the global spread of COVID-19 and efforts to contain it. However, responses from policymakers, the start of trials for vaccines and treatments, and the easing of some pandemic-related restrictions eventually lifted investor sentiment. The U.S. stock market rebounded more strongly than emerging markets and much more than developed markets outside the United States.
- Bond yields ended the period significantly lower—and bond prices higher—amid unprecedented actions from policymakers and the dimmer outlook for economic activity.
- As a “fund of funds,” the STAR Fund reflects the combined results of 10 underlying actively managed Vanguard funds. Of those, the seven stock funds made up about 62% of fund assets.
- Returns of the five underlying U.S. stock funds ranged from about –6% for Vanguard Windsor Fund to more than 43% for Vanguard U.S. Growth Fund. For the two underlying international stock funds, Vanguard International Value Fund returned about –9% and Vanguard International Growth Fund returned more than 42%.
- The three underlying U.S. bond funds posted returns ranging from about 3% for Vanguard GNMA Fund to nearly 10% for Vanguard Long-Term Investment-Grade Fund.

### Market Barometer

	Average Annual Total Returns Periods Ended October 31, 2020		
	One Year	Three Years	Five Years
<b>Stocks</b>			
Russell 1000 Index (Large-caps)	10.87%	10.63%	11.79%
Russell 2000 Index (Small-caps)	-0.14	2.19	7.27
Russell 3000 Index (Broad U.S. market)	10.15	10.04	11.48
FTSE All-World ex US Index (International)	-2.17	0.13	4.52
<b>Bonds</b>			
Bloomberg Barclays U.S. Aggregate Bond Index (Broad taxable market)	6.19%	5.06%	4.08%
Bloomberg Barclays Municipal Bond Index (Broad tax-exempt market)	3.59	4.09	3.70
FTSE Three-Month U.S. Treasury Bill Index	0.86	1.62	1.15
<b>CPI</b>			
Consumer Price Index	1.18%	1.82%	1.83%

## 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 typical fund's expenses are expressed as a percentage of its average net assets. The STAR Fund has no direct expenses, but bears its proportionate share of the costs for the underlying funds in which it invests. These indirect expenses make up the acquired fund fees and expenses, also expressed as a percentage of average net assets.

The following examples are intended to help you understand the ongoing cost (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 costs were calculated using the acquired fund fees and expenses for the STAR Fund.

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 October 31, 2020

STAR Fund	Beginning Account Value 4/30/2020	Ending Account Value 10/31/2020	Expenses Paid During Period
Based on Actual Fund Return	\$1,000.00	\$1,129.13	\$1.66
Based on Hypothetical 5% Yearly Return	1,000.00	1,023.58	1.58

The calculations are based on acquired fund fees and expenses charged by the underlying mutual funds in which the STAR Fund invests. The STAR Fund's annualized expense figure for the period is 0.31%. The dollar amounts shown as "Expenses Paid" are equal to the annualized average weighted expense ratio for the underlying funds 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 (184/366).

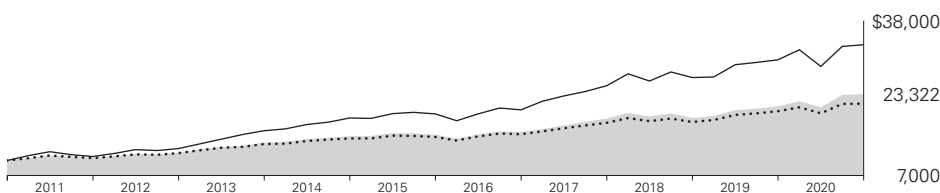
# STAR Fund

## 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: October 31, 2010, Through October 31, 2020

Initial Investment of \$10,000



#### Average Annual Total Returns Periods Ended October 31, 2020

	One Year	Five Years	Ten Years	Final Value of a \$10,000 Investment
— STAR Fund	11.75%	8.96%	8.84%	\$23,322
..... STAR Composite Index	7.59	7.76	7.90	21,397
— Dow Jones U.S. Total Stock Market Float Adjusted Index	9.99	11.41	12.75	33,211

STAR Composite Index: 62.5% Dow Jones U.S. Total Stock Market Index, 25% Bloomberg Barclays U.S. Aggregate Bond Index, and 12.5% Citigroup 3 Month U.S. Treasury Bill Index through December 31, 2002; 50% Dow Jones U.S. Total Stock Market Index, 25% Bloomberg Barclays U.S. Aggregate Bond Index, 12.5% Bloomberg Barclays U.S. 1–5 Year Credit Bond Index, and 12.5% MSCI EAFE Index through April 22, 2005; 50% MSCI US Broad Market Index, 25% Bloomberg Barclays U.S. Aggregate Bond Index, 12.5% Bloomberg Barclays U.S. 1–5 Year Credit Bond Index, and 12.5% MSCI EAFE Index through September 30, 2010; and 43.75% MSCI US Broad Market Index, 25% Bloomberg Barclays U.S. Aggregate Bond Index, 12.5% Bloomberg Barclays U.S. 1–5 Year Credit Bond Index, and 18.75% MSCI All Country World Index ex USA thereafter. MSCI international benchmark returns are adjusted for withholding taxes.

See Financial Highlights for dividend and capital gains information.

## Underlying Vanguard Funds

As of October 31, 2020

Vanguard Windsor™ II Fund Investor Shares	14.1%
Vanguard GNMA Fund Investor Shares	12.8
Vanguard Short-Term Investment-Grade Fund Investor Shares	12.7
Vanguard Long-Term Investment-Grade Fund Investor Shares	12.6
Vanguard U.S. Growth Fund Investor Shares	11.7
Vanguard International Growth Fund Investor Shares	9.6
Vanguard International Value Fund	9.0
Vanguard Windsor Fund Investor Shares	7.7
Vanguard PRIMECAP Fund Investor Shares	6.0
Vanguard Explorer™ Fund Investor Shares	3.8

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

# Financial Statements

## Schedule of Investments

As of October 31, 2020

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)
<b>Investment Companies (100.0%)</b>		
<b>U.S. Stock Funds (43.3%)</b>		
Vanguard Windsor II Fund Investor Shares	95,542,908	3,329,670
Vanguard U.S. Growth Fund Investor Shares	47,888,635	2,744,019
Vanguard Windsor Fund Investor Shares	97,888,445	1,816,810
Vanguard PRIMECAP Fund Investor Shares	10,101,713	1,402,320
Vanguard Explorer Fund Investor Shares	8,074,493	891,747
		<b>10,184,566</b>
<b>International Stock Funds (18.6%)</b>		
Vanguard International Growth Fund Investor Shares	53,734,358	2,256,843
Vanguard International Value Fund	65,253,427	2,119,431
		<b>4,376,274</b>
<b>U.S. Bond Funds (38.1%)</b>		
Vanguard GNMA Fund Investor Shares	280,168,249	3,003,404
Vanguard Short-Term Investment-Grade Fund Investor Shares	273,644,620	3,001,882
Vanguard Long-Term Investment-Grade Fund Investor Shares	253,899,869	2,965,550
		<b>8,970,836</b>
<b>Total Investment Companies (Cost \$15,145,626)</b>		<b>23,531,676</b>
<b>Temporary Cash Investment (0.0%)</b>		
<b>Money Market Fund (0.0%)</b>		
<sup>1</sup> Vanguard Market Liquidity Fund, 0.112% (Cost \$—)	2	—
<b>Total Investments (100.0%) (Cost \$15,145,626)</b>		<b>23,531,676</b>
<b>Other Assets and Liabilities—Net (0.0%)</b>		<b>(979)</b>
<b>Net Assets (100%)</b>		<b>23,530,697</b>

Cost is in \$000.

• See Note A in Notes to Financial Statements.

<sup>1</sup> Affiliated money market fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown is the 7-day yield.



# Statement of Assets and Liabilities

As of October 31, 2020

(\$000s, except shares and per-share amounts)	Amount
<b>Assets</b>	
Investments in Securities, at Value—Affiliated Funds (Cost \$15,145,626)	23,531,676
Receivables for Investment Securities Sold	13,490
Receivables for Accrued Income	16,345
Receivables for Capital Shares Issued	8,575
<b>Total Assets</b>	<b>23,570,086</b>
<b>Liabilities</b>	
Due to Custodian	13,096
Payables for Investment Securities Purchased	16,345
Payables for Capital Shares Redeemed	9,948
<b>Total Liabilities</b>	<b>39,389</b>
<b>Net Assets</b>	<b>23,530,697</b>

At October 31, 2020, net assets consisted of:

Paid-in Capital	13,838,618
Total Distributable Earnings (Loss)	9,692,079
<b>Net Assets</b>	<b>23,530,697</b>

**Net Assets**

Applicable to 810,999,332 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	23,530,697
<b>Net Asset Value Per Share</b>	<b>\$29.01</b>

# Statement of Operations

Year Ended  
October 31, 2020

(\$000)

<b>Investment Income</b>	
<b>Income</b>	
Income Distributions Received from Affiliated Funds	421,181
Other Income	35
<b>Net Investment Income—Note B</b>	<b>421,216</b>
<b>Realized Net Gain (Loss)</b>	
Capital Gain Distributions Received from Affiliated Funds	651,439
Affiliated Funds Sold	706,346
<b>Realized Net Gain (Loss)</b>	<b>1,357,785</b>
<b>Change in Unrealized Appreciation (Depreciation) from Affiliated Funds</b>	<b>678,501</b>
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<b>2,457,502</b>

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

## Statement of Changes in Net Assets

	Year Ended October 31,	
	2020 (\$000)	2019 (\$000)
<b>Increase (Decrease) in Net Assets</b>		
<b>Operations</b>		
Net Investment Income	421,216	469,974
Realized Net Gain (Loss)	1,357,785	988,577
Change in Unrealized Appreciation (Depreciation)	678,501	1,098,776
Net Increase (Decrease) in Net Assets Resulting from Operations	2,457,502	2,557,327
<b>Distributions<sup>1</sup></b>		
Total Distributions	(1,308,703)	(1,306,462)
<b>Capital Share Transactions</b>		
Issued	1,720,072	1,219,901
Issued in Lieu of Cash Distributions	1,237,210	1,238,073
Redeemed	(2,800,084)	(2,282,638)
Net Increase (Decrease) from Capital Share Transactions	157,198	175,336
Total Increase (Decrease)	1,305,997	1,426,201
<b>Net Assets</b>		
Beginning of Period	22,224,700	20,798,499
End of Period	23,530,697	22,224,700

<sup>1</sup> Certain prior-period numbers have been reclassified to conform with the current-period presentation.

## Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended October 31,				
	2020	2019	2018	2017	2016
<b>Net Asset Value, Beginning of Period</b>	<b>\$27.51</b>	<b>\$26.10</b>	<b>\$27.15</b>	<b>\$24.32</b>	<b>\$24.76</b>
<b>Investment Operations</b>					
Net Investment Income	.515 <sup>1</sup>	.576 <sup>1</sup>	.537 <sup>1</sup>	.503 <sup>1</sup>	.470
Capital Gain Distributions Received	.797 <sup>1</sup>	1.177 <sup>1</sup>	.711 <sup>1</sup>	.470 <sup>1</sup>	.683
Net Realized and Unrealized Gain (Loss) on Investments	1.816	1.310	(1.070)	2.993	(.293)
Total from Investment Operations	3.128	3.063	.178	3.966	.860
<b>Distributions</b>					
Dividends from Net Investment Income	(.544)	(.613)	(.514)	(.499)	(.477)
Distributions from Realized Capital Gains	(1.084)	(1.040)	(.714)	(.637)	(.823)
Total Distributions	(1.628)	(1.653)	(1.228)	(1.136)	(1.300)
<b>Net Asset Value, End of Period</b>	<b>\$29.01</b>	<b>\$27.51</b>	<b>\$26.10</b>	<b>\$27.15</b>	<b>\$24.32</b>
<b>Total Return<sup>2</sup></b>	<b>11.75%</b>	<b>12.72%</b>	<b>0.54%</b>	<b>16.96%</b>	<b>3.68%</b>

### Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$23,531	\$22,225	\$20,798	\$21,270	\$18,715
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—
Acquired Fund Fees and Expenses	0.31%	0.31%	0.31%	0.32%	0.32%
Ratio of Net Investment Income to Average Net Assets	1.87%	2.20%	1.98%	1.98%	1.95%
Portfolio Turnover Rate	26%	14%	11%	7%	12%

<sup>1</sup> Calculated based on average shares outstanding.

<sup>2</sup> 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.

## Notes to Financial Statements

Vanguard STAR 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. The fund invests 60% to 70% of its net assets in stock funds (predominantly large-capitalization U.S. stock funds), 20% to 30% in intermediate- to long-term bond funds, and 10% to 20% in a short-term bond fund. Financial statements and other information about each underlying fund are available at [www.vanguard.com](http://www.vanguard.com).

Market disruptions associated with the COVID-19 pandemic have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect assets of the fund and thus fund performance.

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. **Federal Income Taxes:** The fund intends to continue to qualify as a regulated investment company and distribute 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.
3. **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.
4. **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, 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; these fees 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 a rate based upon the higher of the one-month London Interbank Offered Rate (or an acceptable alternate rate, if necessary), federal funds effective rate, or overnight bank funding rate plus an agreed-upon spread, except that borrowings under the uncommitted credit facility may bear interest based upon an alternative 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 October 31, 2020, the fund did not utilize the credit facilities or the Interfund Lending Program.

5. 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 period ended October 31, 2020, 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 October 31, 2020, 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	90,506
Total Distributable Earnings (Loss)	(90,506)

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	72,915
Undistributed Long-Term Gains	1,233,114
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Net Unrealized Gains (Losses)	8,386,050

The tax character of distributions paid was as follows:

	Year Ended October 31,	
	2020 Amount (\$000)	2019 Amount (\$000)
Ordinary Income*	489,081	582,555
Long-Term Capital Gains	819,622	723,907
Total	1,308,703	1,306,462

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

As of October 31, 2020, gross unrealized appreciation and depreciation for investments based on cost for U.S. federal income tax purposes were as follows:

	Amount (\$000)
Tax Cost	15,145,626
Gross Unrealized Appreciation	8,434,743
Gross Unrealized Depreciation	(48,693)
Net Unrealized Appreciation (Depreciation)	8,386,050

E. Capital shares issued and redeemed were:

	Year Ended October 31,	
	2020 Shares (000)	2019 Shares (000)
Issued	61,938	46,933
Issued in Lieu of Cash Distributions	45,139	51,615
Redeemed	(104,017)	(87,627)
Net Increase (Decrease) in Shares Outstanding	3,060	10,921

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

	Current Period Transactions							Oct. 31, 2020 Market Value (\$000)
	Oct. 31, 2019 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	1,845	NA <sup>1</sup>	NA <sup>1</sup>	3	—	7	—	—
Vanguard Explorer Fund	835,231	221,351	257,972	12,035	81,102	2,386	39,618	891,747
Vanguard GNMA Fund	2,758,781	998,724	781,846	(3,579)	31,324	54,614	—	3,003,404
Vanguard International Growth Fund	2,093,558	113,739	694,270	253,328	490,488	26,916	—	2,256,843
Vanguard International Value Fund	2,093,375	364,582	116,708	(23,737)	(198,081)	63,222	—	2,119,431
Vanguard Long- Term Investment- Grade Fund	2,793,967	1,013,604	986,807	63,701	81,085	92,072	53,383	2,965,550
Vanguard PRIMECAP Fund	1,345,064	230,930	187,443	5,544	8,225	16,231	79,337	1,402,320
Vanguard Short- Term Investment- Grade Fund	2,754,017	944,549	757,613	3,281	57,648	66,987	—	3,001,882
Vanguard U.S. Growth Fund	2,683,465	390,995	1,239,112	457,714	450,957	7,534	100,903	2,744,019
Vanguard Windsor Fund	1,713,977	690,255	355,084	(10,930)	(221,408)	35,227	137,972	1,816,810
Vanguard Windsor II Fund	3,153,875	963,314	633,666	(51,014)	(102,839)	55,985	240,226	3,329,670
<b>Total</b>	<b>22,227,155</b>	<b>5,932,043</b>	<b>6,010,521</b>	<b>706,346</b>	<b>678,501</b>	<b>421,181</b>	<b>651,439</b>	<b>23,531,676</b>

<sup>1</sup> Not applicable—purchases and sales are for temporary cash investment purposes.

G. Management has determined that no events or transactions occurred subsequent to October 31, 2020, that would require recognition or disclosure in these financial statements.



# Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard STAR Funds and Shareholders of Vanguard STAR Fund

## Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Vanguard STAR Fund (one of the funds constituting Vanguard STAR Funds, referred to hereafter as the "Fund") as of October 31, 2020, the related statement of operations for the year ended October 31, 2020, the statement of changes in net assets for each of the two years in the period ended October 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended October 31, 2020 (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 October 31, 2020, 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 October 31, 2020 and the financial highlights for each of the five years in the period ended October 31, 2020 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 October 31, 2020 by correspondence with the transfer agent. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP  
Philadelphia, Pennsylvania  
December 15, 2020

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

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### **Special 2020 tax information (unaudited) for Vanguard STAR Fund**

This information for the fiscal year ended October 31, 2020, is included pursuant to provisions of the Internal Revenue Code.

The fund distributed \$909,982,000 as capital gain dividends (20% rate gain distributions) to shareholders during the fiscal year.

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

The fund distributed \$193,967,000 of qualified dividend income to shareholders during the fiscal year.

For corporate shareholders, 21.3% of investment income (dividend income plus short-term gains, if any) qualifies for the dividends-received deduction.

The fund designates to shareholders foreign source income of \$97,464,000 and foreign taxes paid of \$7,325,000. Shareholders will receive more detailed information with their Form 1099-DIV in January 2021 to determine the calendar-year amounts to be included on their 2020 tax returns.

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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 213 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. Chairman of the board (2011–2017) and trustee (2009–2017) of the Children's Hospital of Philadelphia; and trustee (2018–present) and vice chair (2019–present) of The Shipley School.

## Independent Trustees

### **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. Director of SPX FLOW, Inc. (multi-industry manufacturing). Director of the University of Rochester Medical Center, the Monroe Community College Foundation, the United Way of Rochester, North Carolina A&T University, and Roberts Wesleyan College. Trustee of the University of Rochester.

### **Amy Gutmann**

Born in 1949. Trustee since June 2006. Principal occupation(s) during the past five years and other experience: president (2004–present) of the University of Pennsylvania. Christopher H. Browne Distinguished Professor of Political Science, School of Arts and Sciences, and professor of communication, Annenberg School for Communication, with secondary faculty appointments in the Department of Philosophy, School of Arts and Sciences, and at the Graduate School of Education, University of Pennsylvania.

### **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). Chairman of the board of Hillenbrand, Inc. (specialized consumer services) and the Lumina Foundation. Director of the V Foundation. Member of the advisory

<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.

council for the College of Arts and Letters and chair of the advisory board to the Kellogg Institute for International Studies, both at the University of Notre Dame.

#### **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 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 June 2020) and vice president (retired June 2020) of the University of Notre Dame. Assistant professor of finance at the Mendoza College of Business, University of Notre Dame, and member of the Notre Dame 403(b) Investment Committee (retired June 2020). Member of the board of Catholic Investment Services, Inc. (investment advisors) and the board of superintendence of the Institute for the Works of Religion.

#### **Deanna Mulligan**

Born in 1963. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: board chair (2020–present), 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 the individual life and disability division of Guardian Life. Member of the board of the American Council of Life Insurers and the board of the Economic Club of New York. Trustee of the Partnership for New York City (business leadership), Chief Executives for Corporate Purpose, NewYork-Presbyterian Hospital, Catalyst, and the Bruce Museum (arts and science). Member of the Advisory Council for the Stanford Graduate School of Business.

#### **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 co-managing partner of HighVista Strategies (private investment firm). Member of the board of advisors and member of the investment committee of the Museum of Fine Arts Boston. Member of the board (2018–present) of RIT Capital Partners (investment firm). Member of the investment committee of Partners Health Care System.

#### **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. Member of the board of directors (2012–2014) of Neighborhood Reinvestment Corporation. Director (2017–present) of i(x) Investments, LLC; director (2017–present) of Reserve Trust. Rubenstein Fellow (2017–present) of Duke University; trustee (2017–present) of Amherst College, and trustee (2019–present) of the Folger Shakespeare Library.

#### **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). Chairman of the board of trustees of Colby-Sawyer College. Member of the board of Hypertherm Inc. (industrial cutting systems, software, and consumables).

## Executive Officers

### John Bendl

Born in 1970. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief financial officer (2019–present) of each of the investment companies served by Vanguard. Chief accounting officer, treasurer, and controller of Vanguard (2017–present). Partner (2003–2016) at KPMG (audit, tax, and advisory services).

### Christine M. Buchanan

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

### David Cermak

Born in 1960. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2019–present) of each of the investment companies served by Vanguard. Managing director and head (2017–present) of Vanguard Investments Singapore. Managing director and head (2017–2019) of Vanguard Investments Hong Kong. Representative director and head (2014–2017) of Vanguard Investments Japan.

### 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. Deputy assistant to the President of the United States (2015).

### Thomas J. Higgins

Born in 1957. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2019–present), chief financial officer (2008–2019), and treasurer (1998–2008) of each of the investment companies served by Vanguard.

### Peter Mahoney

Born in 1974. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Controller (2015–present) of each of the investment companies served by Vanguard. Head of International Fund Services (2008–2014) 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.

### 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.

### John E. Schadt

Born in 1972. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief compliance officer (2019–present) of Vanguard and of each of the investment companies served by Vanguard. Assistant vice president (2019–present) of Vanguard Marketing Corporation.

## Vanguard Senior Management Team

### Joseph Brennan

Mortimer J. Buckley

Gregory Davis

John James

John T. Marcante

Chris D. McIsaac

James M. Norris

Thomas M. Rampulla

Karin A. Risi

Anne E. Robinson

Michael Rollings

Lauren Valente



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