



18 March 2020

Important notice to unitholders

Important information regarding Vanguard Wholesale and Retail funds

This is to advise that there will be changes in the buy and or sell spreads in a number of Vanguard's managed funds, effective immediately.

At Vanguard, we know that costs matter. We regularly review the cost of investing as part of our commitment to continually bring you high-value, low-cost investment products.

When you apply for or redeem units in Vanguard managed funds there are transaction costs known as buy/sell spreads. The costs reflect the transaction expenses associated with the purchasing and selling of assets within the funds. Vanguard does not profit from these spreads.

The volatility in investment markets has increased dramatically following the uncertainty driven by COVID-19. This has been the case particularly in fixed income markets, where trading costs have risen significantly. In addition, funds employing currency hedging have also been impacted with an increase in foreign exchange transaction costs.

The outcome of our latest targeted review has resulted in an increase in buy/sell spreads for a number of our funds due to the rising transactions costs described above.

What are the changes and when will they happen?

The new buy/sell spreads will apply from closing unit prices on **18 March 2020 inclusive**.

	Old (%)		New (%)	
	Buy	Sell	Buy	Sell
Wholesale Funds – Equities				
Vanguard International Shares Index Fund (Hedged) - AUD Class	0.08	0.08	🔴 0.11	🔴 0.11
Vanguard International Shares Index Fund (Hedged) - NZD Class	0.11	0.11	🔴 0.14	🔴 0.14
Vanguard Ethically Conscious International Shares Index Fund (NZD Hedged)	0.12	0.12	🔴 0.15	🔴 0.15
Vanguard Global Infrastructure Index Fund (Hedged)	0.12	0.12	🔴 0.15	🔴 0.15
Vanguard International Small Companies Index Fund (Hedged)	0.17	0.17	🔴 0.20	🔴 0.20
Vanguard International Shares Select Exclusions Index Fund - AUD Hedged	0.12	0.12	🔴 0.15	🔴 0.15
Vanguard International Shares Select Exclusions Index Fund - NZD Hedged	0.09	0.09	🔴 0.12	🔴 0.12
Vanguard Global Minimum Volatility Fund	0.12	0.12	🔴 0.15	🔴 0.15

	Old (%)		New (%)	
	Buy	Sell	Buy	Sell
Wholesale Funds – Fixed Income				
Vanguard Australian Corporate Fixed Interest Index Fund	0.15	0.15	0.15	↕ 1.79
Vanguard Australian Fixed Interest Index Fund	0.08	0.08	0.08	↕ 0.55
Vanguard Global Aggregate Bond Index Fund (Hedged)	0.13	0.13	0.13	↕ 0.82
Vanguard International Credit Securities Index Fund (Hedged)	0.15	0.15	0.15	↕ 1.17
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) – AUD Hedged	0.13	0.13	0.13	↕ 0.82
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) – NZD Hedged	0.13	0.13	0.13	↕ 0.82

	Old (%)		New (%)	
	Buy	Sell	Buy	Sell
Wholesale Diversified Funds				
Vanguard Balanced Index Fund	0.10	0.10	0.10	↕ 0.41
Vanguard Conservative Index Fund	0.10	0.10	0.10	↕ 0.47
Vanguard Diversified Bond Fund	0.12	0.12	0.12	↕ 0.74
Vanguard Growth Index Fund	0.09	0.09	0.09	↕ 0.28
Vanguard High Growth Index Fund	0.08	0.08	0.08	↕ 0.15
Vanguard Managed Payout Fund	0.08	0.08	↕ 0.09	↕ 0.19

	Old (%)		New (%)	
	Buy	Sell	Buy	Sell
Vanguard Investor Funds				
Vanguard Index Diversified Bond Fund	0.12	0.12	0.12	↕ 0.74
Vanguard LifeStrategy® Balanced Fund	0.10	0.10	0.10	↕ 0.41
Vanguard LifeStrategy® Conservative Fund	0.10	0.10	0.10	↕ 0.47
Vanguard LifeStrategy® Growth Fund	0.09	0.09	0.09	↕ 0.28
Vanguard LifeStrategy® High Growth Fund	0.08	0.08	0.08	↕ 0.15
Vanguard Index Hedged International Shares Fund	0.08	0.08	↕ 0.11	↕ 0.11

Vanguard's current buy/sell spreads are available on our website www.vanguard.com.au

Please ensure you refer to the relevant Product Disclosure Statement when referring to any of these funds. Vanguard's current Product Disclosure Statements are available on our website.

**If you have any questions, please contact Vanguard Client Services
(8:00 am to 6:00 pm AEST/AEDT, Monday to Friday):**

SMSF & individual investors – 1300 655 101

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