



22 May 2020

# Important notice to unitholders

## Important information regarding Vanguard Wholesale and Retail funds

***This is to advise that there will be changes in the sell spreads for 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 spreads reflect the costs of trading today and cover the transaction expenses associated with the purchasing and selling of assets within the funds. They ensure that investors in the funds are not impacted by the costs generated by other investors buying or selling units. It is important to note that spreads are paid to the funds to cover the cost of trading and are not a fee paid to Vanguard.

Trading conditions in the fixed income markets have continued to stabilise since the heightened volatility in March and early April. With the gradual decrease in cost of transacting, Vanguard has made further changes to reduce the sell spreads for a number of our funds.

### ***What are the changes and when will they happen?***

The reduced sell spreads will apply from closing unit prices on **22 May 2020 inclusive**.

|                               | Old (%) |      | New (%)     |               |
|-------------------------------|---------|------|-------------|---------------|
| <b>Wholesale Funds – Cash</b> | Buy     | Sell | Buy         | Sell          |
| Vanguard Cash Plus Fund       | 0.02    | 0.04 | <b>0.02</b> | <b>📉 0.02</b> |

  

|   | Old (%) |      | New (%)     |               |
|---|---------|------|-------------|---------------|
| <b>Wholesale Funds – Fixed Income</b>   | Buy     | Sell | Buy         | Sell          |
| Vanguard Australian Corporate Fixed Interest Index Fund                             | 0.15    | 0.76 | <b>0.15</b> | <b>📉 0.56</b> |
| Vanguard Australian Fixed Interest Index Fund                                       | 0.08    | 0.27 | <b>0.08</b> | <b>📉 0.24</b> |
| Vanguard Global Aggregate Bond Index Fund (Hedged)                                  | 0.13    | 0.36 | <b>0.13</b> | <b>📉 0.29</b> |
| Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) – AUD Hedged | 0.13    | 0.36 | <b>0.13</b> | <b>📉 0.29</b> |
| Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) – NZD Hedged | 0.13    | 0.36 | <b>0.13</b> | <b>📉 0.29</b> |
| Vanguard International Credit Securities Index Fund (Hedged)                        | 0.15    | 0.58 | <b>0.15</b> | <b>📉 0.53</b> |
| Vanguard International Fixed Interest Index Fund (Hedged)                           | 0.08    | 0.23 | <b>0.08</b> | <b>📉 0.15</b> |

| Wholesale Diversified Funds      | Old (%) |      | New (%)     |               |
|----------------------------------|---------|------|-------------|---------------|
|                                  | Buy     | Sell | Buy         | Sell          |
| Vanguard Balanced Index Fund     | 0.10    | 0.21 | <b>0.10</b> | <b>U 0.18</b> |
| Vanguard Conservative Index Fund | 0.10    | 0.23 | <b>0.10</b> | <b>U 0.20</b> |
| Vanguard Diversified Bond Fund   | 0.12    | 0.34 | <b>0.12</b> | <b>U 0.28</b> |
| Vanguard Growth Index Fund       | 0.09    | 0.16 | <b>0.09</b> | <b>U 0.14</b> |
| Vanguard Managed Payout Fund     | 0.09    | 0.15 | <b>0.09</b> | <b>U 0.13</b> |

| Vanguard Investor Funds                  | Old (%) |      | New (%)     |               |
|--|---------|------|-------------|---------------|
|  | Buy     | Sell | Buy         | Sell          |
| Vanguard Investor Cash Plus Fund         | 0.02    | 0.04 | <b>0.02</b> | <b>U 0.02</b> |
| Vanguard Index Diversified Bond Fund     | 0.12    | 0.34 | <b>0.12</b> | <b>U 0.28</b> |
| Vanguard LifeStrategy® Balanced Fund     | 0.10    | 0.21 | <b>0.10</b> | <b>U 0.18</b> |
| Vanguard LifeStrategy® Conservative Fund | 0.10    | 0.23 | <b>0.10</b> | <b>U 0.20</b> |
| Vanguard LifeStrategy® Growth Fund       | 0.09    | 0.16 | <b>0.09</b> | <b>U 0.14</b> |

Vanguard's current buy/sell spreads are available on our website [www.vanguard.com.au](http://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**

**Financial advisers – 1300 655 205**

**Institutional investors – 1300 655 102**

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