

Important notice to investors

Important information regarding changes to Vanguard's product disclosure statements

We've made changes to our product disclosure statements (PDSs) to meet new regulatory requirements, reflect recent product changes, and make information more consistent and easier to find.

Below is a summary of the changes we've made across all our PDSs.

We're disclosing product fees and costs in line with regulatory requirements

These changes reflect new regulatory requirements that will come into effect on 30 September 2022. This also brings our PDSs in line with the changes introduced to periodic statements on 1 July 2021.

The purpose of these new regulations is to provide investors with a consistent disclosure format so that fees and costs are easier to compare. We believe investors should understand all fees and costs associated with investing to make informed decisions. Please note that whilst the presentation of costs disclosed will be changing, the actual costs paid by investors will not be changing.

As part of this change, and to avoid the duplication of information, we'll no longer be publishing the Transactional & Operational Costs Guide.

Updated investment strategy descriptions

We've reviewed our investment strategy descriptions across all our products. Please note, there have been no change to the investment strategies or the way in which the funds are managed.

We've made enhancements to our securities lending program

Vanguard's securities lending program is designed to deliver risk adjusted benefits to investors. This allows select funds to lend out

a small portion of the portfolio (for a fee) that in turn provides additional returns for investors.

We've recently enhanced our Australian program to now accept USD and AUD cash as eligible collateral as well as high grade sovereign debt. Borrowers are required to post a minimum of 102% of the value of securities lent where cash is used as collateral and depending on the arrangement, the minimum amount may be 105%.

Please note that Vanguard does not retain any portion of the revenue generated from the securities lending program. All revenue generated is returned to the relevant funds (less agent lender fees and costs).

We're including information on our complaints handling policy

Our PDSs include information on our complaints handling policy, which provides clear actions and timeframes in relation to complaints received by Vanguard.

Our complaints handling policy was updated in 2021 to reflect new regulatory requirements on internal dispute resolution. This was communicated via a unitholder notice.

We're making it easier for investors to find information

We've refined our Managed Funds Reference Guide to make it easier for investors to find information that's relevant to them.

This update also captures changes to our administrator and registry providers that were previously communicated via a unitholder notice.

We've also incorporated content from omnibus (i.e., multiple products) managed fund PDSs, including the Manager Select Series, the Vanguard Factor Funds, and the closed Vanguard Investor Funds.

We've made some changes for New Zealand investors

Vanguard is now offering its wholesale funds in New Zealand under the trans-Tasman mutual recognition scheme. The scheme allows an issuer in Australia to offer certain financial products in both countries using one PDS prepared under Australian law.

Frequently asked questions

What are PDSs used for?

Our PDSs explain our products in detail, including investment objectives, structure, benefits, risks, costs and fees. Investors should consult the relevant PDS before investing in a product to determine if it is suitable.

The information provided in our PDSs is general information only and does not take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate to your circumstances and obtain financial advice that is tailored to your personal circumstances from a licensed financial adviser.

Why are we making changes to our PDSs?

We've made changes to bring our PDSs in line with regulatory requirements, including *ASIC Regulatory Guide (RG) 97 (Disclosing fees and costs in PDSs and periodic statements)* and *RG 271 (Internal dispute resolution)*.

We've updated some of our PDSs to reflect recent product changes that have already been communicated to investors.

We've incorporated content from long-form omnibus managed fund PDSs in the Reference Guide, including Manager Select, the Vanguard Factor Funds, and the closed Vanguard Investor Funds, to reduce the duplication of content and streamline disclosure.

Where are Vanguard's updated PDSs located?

Our latest PDSs are available on the Vanguard Australia website.

Retail investors can view our PDSs here:

www.vanguard.com.au/personal/en/pds-and-offer-documents

Institutional investors can view our PDSs here:

www.vanguard.com.au/institutional/en/forms-notices-overview/pds-offer-documents-tab

Financial advisers can view our PDSs here:

www.vanguard.com.au/adviser/en/forms-notices-overview/pds-offer-documents-tab

Can I still access the Transactional & Operational Costs Guide?

No. As part of the changes, the information contained in the Transactional & Operational Costs Guide will be incorporated in our PDSs and the Reference Guide.

What's changed in the Reference Guide?

We've tailored our Reference Guide to make it easier to find information relevant to different investors. There are now separate sections for retail account-holders, institutional account-holders and New Zealand account-holders.