

Vanguard International Small Companies Index Fund

Key fund facts	
Management fee	0.39% p.a.
Indirect costs	0.01% p.a.
Buy spread	0.12%
Sell spread	0.12%
Inception date	31 October 2007
Income distribution	Quarterly
Fund size	\$1,147.7 million
Number of holdings	4,050

Trading information	
APIR code	VAN0021AU
Minimum investment	\$500,000 (No minimums apply for platforms)
Platform availability	For platform availability visit vanguard.com.au/mastertrust

Benchmark information	
Benchmark (Bmk)	MSCI World ex-Australia Small Cap Index ^D
Number of holdings	4,048

Investment objective

Vanguard International Small Companies Index Fund seeks to track the return of the MSCI World ex-Australia Small Cap Index (with net dividends reinvested) in Australian dollars before taking into account fees, expenses and tax.

Fund overview

The Fund provides exposure to small companies listed in major developed countries. It offers low-cost access to a broadly diversified range of securities that allows investors to participate in the long-term growth potential typical of the international small companies sector. The Fund is exposed to the fluctuating values of foreign currencies, as there will not be any hedging of foreign currencies to the Australian dollar.

Performance return^{A, B, D} (%)

	Fund gross	Bmk	Fund total	Distb'n	Growth
1 month	1.10	1.09	1.07	0.51	0.56
3 months	3.16	3.14	3.06	0.52	2.54
6 months	13.61	13.64	13.39	2.49	10.90
1 year	-3.38	-3.44	-3.76	4.87	-8.63
3 years (p.a.)	5.57	5.36	5.16	5.72	-0.56
5 years (p.a.)	7.69	7.43	7.27	6.20	1.07
10 years (p.a.)	12.52	12.26	12.08	5.04	7.04
Inception (p.a.)	7.97	7.64	7.55	4.18	3.37

Year to year gross return^{A, B, D} (%)

	Dec - Dec		June - June	
	Fund	Bmk	Fund	Bmk
YTD	-8.40	-8.45	3.16	3.14
2020	N/A	N/A	-3.34	-3.43
2019	26.73	26.53	2.67	2.36
2018	-3.84	-4.20	19.51	19.19
2017	13.76	13.43	17.87	17.52

Income distribution^C

Quarter ended	Amount (CPU)	Reinvestment price
30 September 2020	0.7756	\$1.5344

Notes

- ^A Past performance is not an indication of future performance.
- ^B Returns assume reinvestment of all distributions. Returns for periods longer than 1 year are annualised. Fund gross returns are before management fees and taxes, but after transaction and operational costs. Fund total return is the fund gross return less management fees. Index returns do not allow for taxes, management, transaction and operational costs.
- ^C Past distributions are not an indication of future distributions.
- ^D Prior to 1 June 2008, the Fund's benchmark was the MSCI World ex-Australia Small Cap Provisional Index (with net dividends reinvested) in Australian dollars.

Vanguard International Small Companies Index Fund

Characteristics

	Fund	Bmk
Number of holdings	4,050	4,048
Median market cap	\$4.1B	\$4.1B
Price/Earnings ratio	18.0x	18.0x
Price/Book ratio	1.6x	1.6x
Return on equity ratio	9.6%	9.6%
Earnings growth rate	11.6%	11.6%
Equity yield (dividend)	2.1%	2.1%

Top 10 holdings

1. Immunomedics Inc.
2. Etsy Inc.
3. Horizon Therapeutics plc
4. Carvana Co.
5. Pool Corp.
6. Generac Holdings Inc.
7. HubSpot Inc.
8. Zendesk Inc.
9. SolarEdge Technologies Inc.
10. Monolithic Power Systems Inc.

The top 10 holdings represent 2.3% of the total fund.

Sector allocation (%)

	Fund	Bmk
Industrials	18.0	18.1
Information Technology	14.3	14.3
Consumer Discretionary	13.8	13.8
Health Care	13.1	13.1
Financials	11.4	11.3
Real Estate	10.0	10.0
Materials	6.3	6.3
Consumer Staples	4.9	4.9
Communication Services	3.3	3.3
Utilities	2.7	2.7
Energy	2.2	2.2

Sector categories are based on the Global Industry Classification Standard system ("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.

Market allocation (%)

	Fund	Bmk		Fund	Bmk
United States	58.4	58.5	Hong Kong	0.9	0.9
Japan	12.9	12.8	Israel	0.8	0.8
United Kingdom	6.7	6.7	Singapore	0.8	0.8
Canada	3.7	3.7	Norway	0.8	0.8
Sweden	3.2	3.2	Finland	0.8	0.8
Switzerland	2.3	2.3	Spain	0.7	0.7
Germany	2.3	2.4	Denmark	0.7	0.7
France	1.2	1.2	Belgium	0.6	0.6
Italy	1.2	1.2	New Zealand	0.4	0.4
Netherlands	0.9	0.9	Other	0.7	0.6

Glossary

Median market cap is the midpoint of market capitalisation (market price multiplied by the number of shares outstanding) of the shares in the fund. Half the shares in the fund will have higher market capitalisation, half will have lower.

Price/Earnings ratio (P/E ratio) is a measure of the market value of a share compared to the earnings of the company. A share with a price of \$10, and earnings last year of \$1 a share, would have a P/E ratio of 10. For a fund, the ratio is the weighted average P/E ratio of the shares it holds. In general, a high P/E suggests that investors are expecting higher earnings growth in the future compared to companies with a lower P/E. Companies with negative earnings are excluded from the calculation.

Price/Book ratio is calculated by dividing the current market price of the share by the book value per share of the company.

Return on equity ratio is a measure of how much profit a company generates relative to its shareholders' equity. For a fund, the ratio is the weighted average return on equity ratio of the shares it holds.

Earnings growth rate is a measure of the trailing Earnings Per Share growth for a given company and share. For a fund, the rate is the weighted average earnings growth of the shares it holds.

Equity yield (dividend) is the dividend income earned by shares, expressed as a percentage of the market price of those shares. For a fund, the yield is the weighted average equity yield of the shares it holds.

For more information:

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