

Vanguard International Shares Select Exclusions Index Fund - NZD Hedged

Key fund facts	
Management fee	0.26% p.a.
Buy spread	0.09%
Sell spread	0.09%
Inception date	13 December 2016
Income distribution	Quarterly
Wholesale class size (NZD)	\$1,822.4 million
Number of holdings	1,526

Trading information	
APIR code	VAN8287AU
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, ex Tobacco, ex Controversial Weapons, ex Nuclear Weapons (with net dividends reinvested) hedged into New Zealand dollars Index
Number of holdings	1,519

Investment objective

Vanguard International Shares Select Exclusions Index Fund - NZD Hedged seeks to track the return of the MSCI World ex Australia, ex Tobacco, ex Controversial Weapons, ex Nuclear Weapons (with net dividends reinvested) hedged into New Zealand dollars Index before taking into account fees, expenses and tax.

Fund overview

The Fund provides low-cost access to a broadly diversified range of securities that excludes companies involved in the production of tobacco, controversial weapons and companies that manufacture nuclear weapons, components that were developed or significantly modified for exclusive use in nuclear weapons, and companies that provide auxiliary services related to nuclear weapons. The Fund is hedged to New Zealand dollars so the value of the Fund is relatively unaffected by currency fluctuations for New Zealand investors.

Performance return^{A, B} (%)

	Fund gross	Bmk	Fund total	Distb'n	Growth
1 month	-2.88	-2.90	-2.91	1.62	-4.53
3 months	6.80	6.77	6.73	1.79	4.94
6 months	26.66	26.53	26.49	2.14	24.35
1 year	8.30	7.99	8.02	1.82	6.20
3 years (p.a.)	8.13	7.84	7.85	2.19	5.66
5 years (p.a.)	N/A	N/A	N/A	N/A	N/A
10 years (p.a.)	N/A	N/A	N/A	N/A	N/A
Inception (p.a.)	9.91	9.65	9.62	1.88	7.74

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

	Dec - Dec		June - June	
	Fund	Bmk	Fund	Bmk
YTD	0.59	0.31	6.80	6.77
2020	N/A	N/A	2.85	2.53
2019	27.28	26.90	6.77	6.45
2018	-6.60	-6.80	12.54	12.33
2017	20.45	20.30	8.45	8.37

Income distribution^C

Quarter ended	Amount (CPU) in NZD	Reinvestment price
30 September 2020	2.2653	\$1.3273

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.

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Characteristics

	Fund	Bmk
Number of holdings	1,526	1,519
Median market cap (NZD)	\$119.9B	\$119.9B
Price/Earnings ratio	24.1x	24.2x
Price/Book ratio	2.5x	2.5x
Return on equity ratio	16.4%	16.4%
Earnings growth rate	12.6%	12.5%
Equity yield (dividend)	2.0%	2.0%

Top 10 holdings

1. Apple Inc.
2. Microsoft Corp.
3. Amazon.com Inc.
4. Alphabet Inc.
5. Facebook Inc.
6. Johnson & Johnson
7. Nestle SA
8. Procter & Gamble Co.
9. Visa Inc.
10. NVIDIA Corp.

The top 10 holdings represent 18.8% of the total fund.

Sector allocation (%)

	Fund	Bmk
Information Technology	22.9	22.9
Health Care	14.1	14.1
Consumer Discretionary	12.2	12.2
Financials	11.7	11.7
Industrials	9.3	9.3
Communication Services	9.2	9.2
Consumer Staples	7.7	7.7
Materials	4.3	4.2
Utilities	3.3	3.4
Real Estate	2.8	2.8
Energy	2.5	2.5

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	67.7	67.7	Denmark	0.8	0.8
Japan	8.2	8.1	Spain	0.7	0.7
United Kingdom	3.9	3.9	Italy	0.7	0.7
France	3.3	3.3	Finland	0.3	0.3
Switzerland	3.3	3.3	Singapore	0.3	0.3
Canada	3.2	3.2	Belgium	0.3	0.3
Germany	3.0	3.0	Ireland	0.2	0.2
Netherlands	1.4	1.4	Israel	0.2	0.2
Hong Kong	1.1	1.1	Norway	0.2	0.2
Sweden	1.0	1.0	Other	0.2	0.3

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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