

Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) – AUD Hedged

Key fund facts	
Management fee	0.28% p.a.
Buy spread	0.13%
Sell spread	0.13%
Inception date	13 November 2018
Income distribution	Quarterly
Fund size	\$1,012.4 million
Number of holdings	4,634

Trading information	
APIR code	VAN2989AU
Minimum investment	\$500,000 (No minimums apply for platforms)
Platform availability	For platform availability visit vanguard.com.au/mastertrust

Benchmark information	
Benchmark (Bmk)	Bloomberg Barclays MSCI Global Aggregate SRI Exclusion Float Adjusted Hedged into AUD Index
Number of holdings	22,588

Investment objective

Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) – AUD Hedged seeks to track the return of the Bloomberg Barclays MSCI Global Aggregate SRI Exclusions Float Adjusted Index Hedged into Australian dollars before taking into account fees, expenses and tax.

Fund overview

The Fund provides low cost exposure to high-quality, income-generating securities issued by governments, government-owned entities, government-guaranteed entities, investment-grade corporate issues and securitised assets from around the world. The Fund excludes companies with significant business activities involving fossil fuels, nuclear power, alcohol, tobacco, gambling, weapons, adult entertainment and conduct related screens based on severe controversies.

The investments in the Fund are predominantly rated BBB- or higher by Standard & Poor's or equivalent ratings agency. The Fund is hedged to Australian dollars so the value of the Fund is relatively unaffected by currency fluctuations.

Performance return^{A,B} (%)

	Fund gross	Bmk	Fund total	Distb'n	Growth
1 month	0.47	0.46	0.44	2.37	-1.93
3 months	0.83	0.85	0.76	2.38	-1.62
6 months	3.31	3.28	3.16	3.38	-0.22
1 year	4.00	4.04	3.71	3.81	-0.10
3 years (p.a.)	N/A	N/A	N/A	N/A	N/A
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.)	7.50	7.44	7.20	2.88	4.32

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

	Dec - Dec		June - June	
	Fund	Bmk	Fund	Bmk
YTD	4.92	4.94	0.83	0.85
2020	N/A	N/A	5.69	5.64
2019	7.12	7.02	7.51	7.42
2018	1.94	1.90	N/A	N/A

Income distribution^C

Quarter ended	Amount (CPU)	Reinvestment price
30 September 2020	2.6208	\$1.0827

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.

Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) – AUD Hedged

Characteristics

	Fund	Bmk
Number of issuers	1,294	4,045
Number of holdings	4,634	22,588
Yield to maturity	0.69%	0.73%
Weighted average coupon	2.0%	2.5%
Weighted average maturity	8.9 years	9.2 years
Weighted average credit quality	AA-	AA-
Effective duration	7.4 years	7.4 years
Running yield	1.79%	2.15%

Top 10 issuers

1. United States Treasury
2. Japan (Government Of)
3. France (Republic Of)
4. Federal National Mortgage Association
5. Italy (Republic Of)
6. Germany (Federal Republic Of)
7. Government National Mortgage Association li
8. United Kingdom Of Great Britain And Northern Ireland (Government)
9. Spain (Kingdom Of)
10. Korea (Republic Of)

The top 10 issuers represent 51.2% of the total fund.

Sector allocation (%)

	Fund	Bmk
Treasury	55.1	54.3
Corporate	19.9	19.4
Government-Related	13.7	13.6
Securitized	11.2	12.6
Other	0.1	0.1

Credit allocation (%)

	Fund	Bmk
AAA	42.8	43.0
AA	16.5	16.8
A	22.7	22.5
BBB	16.9	16.5
Not rated	1.1	1.2

For more information:

Our telephone service is available from 8am to 6pm, Monday-Friday AEST.

For personal investors:

Call 1300 655 101

Email clientservices@vanguard.com.au

For advisers:

Call 1300 655 205

Email adviserservices@vanguard.com.au

For institutional investors:

Call 1300 655 102

Email institutional@vanguard.com.au

Market allocation (%)

	Fund	Bmk		Fund	Bmk
United States	40.6	40.1	Netherlands	1.8	1.7
Japan	10.4	10.3	Korea	1.7	1.6
France	7.1	7.0	Belgium	1.2	1.2
Germany	6.0	6.3	China	1.2	1.2
Italy	4.4	4.3	Switzerland	0.9	1.0
United Kingdom	4.0	4.5	Austria	0.8	0.9
Canada	3.7	3.5	Sweden	0.8	0.8
Spain	3.4	3.2	Indonesia	0.6	0.6
Supranational	2.5	2.6	Mexico	0.6	0.6
Australia	2.0	2.0	Other	6.3	6.6

Glossary

Yield to maturity is the rate of return an investor would receive if the fund's fixed income securities were held to their maturity dates. The figure does not include the return component from hedging.

Weighted average coupon is the average interest rate (coupon rate) of all the bonds in a fund.

Weighted average maturity is the time from today until a bond matures or is redeemed by its issuer. Within a portfolio, the statistic is calculated for each bond and weighted by each bond's market value. In general, the longer a fund's average weighted maturity, the more its unit price will fluctuate in response to changing interest rates.

Weighted average credit quality is an indicator of credit risk. This figure is the average credit ratings assigned to a fund's holdings by credit rating agencies. Agencies assign credit ratings after appraising an issuer's ability to meet its obligations. Quality is graded on a scale, with Aaa or AAA indicating the most creditworthy bond issuers.

Effective duration is an option-adjusted measure of a portfolio's sensitivity to a change in interest rates. For example, if a bond has a duration of two years, its price would fall about 2% when interest rates rose one percentage point. On the other hand, the bond's price would rise by about 2% when interest rates fell by one percentage point.

Running yield for an individual bond is the annual dollar interest payment (coupon) of the bond divided by its market price. Within a portfolio, the statistic is calculated for each bond and weighted by each bond's market value.

Vanguard Investments Australia Ltd (ABN 72 072 881 086 / AFS Licence 227263) is the product issuer. We have not taken your circumstances into account when preparing the above information so it may not be applicable to your circumstances. You should consider your circumstances and our Product Disclosure Statement (PDS) before making any investment decision. You can access our PDS on our website or by calling us. This information was prepared in good faith and we accept no liability for any errors or omissions. Unless otherwise stated, all currencies shown in this document are in Australian dollars.

BLOOMBERG® is a trademark of Bloomberg Finance L.P. or its affiliates. BARCLAYS® is a trademark and service mark of Barclays Bank Plc (collectively with its affiliates, "Barclays"). MSCI® is a trademark and service mark of MSCI, Inc. (collectively with its affiliates, including MSCI ESG Research LLC ("MSCI ESG"), "MSCI"). These marks are used under license. Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL") (collectively, "Bloomberg"), or Bloomberg's licensors own all proprietary rights in the "Bloomberg Barclays MSCI Global Aggregate SRI Exclusions Float Adjusted Index ("Index") which Index is determined, composed and calculated by BISL, or any successor thereto, based on environmental, social and governance research provided by MSCI ESG. Neither Bloomberg, Barclays nor MSCI is affiliated with Vanguard as Issuer of the Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) – AUD Hedged, and neither Bloomberg, Barclays nor MSCI approves, endorses, reviews or recommends Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) – AUD Hedged. Bloomberg, Barclays and MSCI do not guarantee the timeliness, accurateness or completeness of any data or information relating to the Index, and none shall be liable in any way to the Issuer, investors in Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) – AUD Hedged or other third parties in respect of the use or accuracy of the Index or any data included therein.