

Termination of Vanguard Global Multi-Factor Active ETF (Managed Fund)

27 May 2022

This continuous disclosure notice relates to the class of units of the Vanguard Global Multi-Factor Fund ARSN 630 597 929 traded on the AQUA market of the Australian Securities Exchange (**Units**).

Vanguard Investments Australia Ltd ACN 072 881 086 (**Vanguard**), as responsible entity for the Vanguard Global Multi-Factor Fund ARSN 630 597 929 (**Fund**), announces that Vanguard's board of directors has resolved to terminate the Fund (**Termination**), effective after the close of trading on 22 June 2022 (**Last Trading Day**). As a result of the Termination, Units in the Fund will be suspended from quotation on the AQUA market of the Australian Securities Exchange (**ASX**) and removed from trading status after the close of trading on the Last Trading Day and wound up in accordance with Part 5C.9 of the Corporations Act and the Fund's constitution.

The decision to terminate the Fund is based on the Fund's low asset growth since inception, client and market feedback, and modest anticipated future client demand. Having considered the alternatives, Vanguard has resolved that termination of the Fund is in the best interests of investors as a whole.

Vanguard has decided to provide investors with 18 trading days' notice of its intention to terminate the Fund. This communication outlines the steps that will be taken to effect the Termination and seeks to inform investors as to what action they may take.

In connection with the Termination, it is expected that investors in the Fund will receive:

- a special distribution in respect of their Units in the Fund on or about 10 June 2022; and
- a final distribution in respect of their Units in the Fund following the Termination on or about 13 July 2022.

Important dates

Set out below is a summary of the key dates relating to the Termination.

Ex-date for special distribution (including unrealised income) for the period 1 April 2022 to 22 June 2022	30 May 2022
The date at which an investor needs to be recorded as the beneficial owner of Units in the Fund in the Clearing House Electronic Subregister System (CHESS) (the Special Distribution Record Date).	31 May 2022

Special distribution to be paid to investors holding Units on the Record Date (the Special Distribution Payment Date).	10 June 2022
Last day for dealings and trading in the Units in the Fund and last day for redemption of Units in the Fund by Authorised Participants (the Last Trading Day).	22 June 2022
The date at which termination will commence (Termination Commencement Date).	22 June 2022
Ex-date for distribution of realised income for the period 30 May 2022 to 22 June 2022	23 June 2022
The date at which an investor needs to be recorded as the beneficial owner of Units in the Fund in the Clearing House Electronic Subregister System (CHES) (the Termination Record Date).	24 June 2022
Final distribution to be paid to investors holding Units on the Termination Record Date (the Termination Payment Date).	13 July 2022

The dates above are subject to change. Any change will be announced to the market via the ASX.

How will the termination of the Fund affect investors' Units?

As a holder of Units, investors will have several choices as to the action they can take in response to this communication. In any event, Units will not be able to be traded on the ASX after the Last Trading Day. Investors should consider consulting their financial adviser to ensure that they understand the implications, including the costs and risks, of their choice.

As a holder of Units, investors may either:

1. sell their Units on the ASX in the ordinary way via their broker prior to the close of trading on the Last Trading Day. Vanguard expects that the market makers will continue to make a market for Units until close of trading on 22 June 2022;
2. redeem their Units with the Issuer in the ordinary way, if they are an Authorised Participant, prior to the close of trading on the Last Trading Day; or
3. hold their Units until the Termination of the Fund and receive a pro-rata share of the proceeds of winding up.

If an investor chooses to sell their Units on the ASX, they will incur brokerage costs and any spread costs as they normally would when transacting on the ASX. Similarly, if an investor is an Authorised Participant and chooses to redeem their Units with the Issuer, they will incur the costs associated with a redemption as set out in section 11 of the PDS.

Where an investor holds their units until Termination, they will receive a distribution of income for the period after 1 April 2022, together with an amount in Australian dollars equal to the net asset value per Unit of the

Fund on the day the assets of the Fund are sold (which is expected to be the Last Trading Day), multiplied by the number of Units they hold. The costs of the Termination (excluding the transaction costs of liquidating the Fund's assets) will be paid out of the management fee ordinarily charged in respect of the Fund, so that the Fund will not incur any additional costs. Investors should be aware that the price of the underlying securities may change and the net asset value per Unit of the Fund may change between the date of this communication and the completion of the Termination.

How and when will investors receive payment following the Termination?

Following Termination, the assets of the Fund will be sold and the net proceeds of winding up will be distributed to investors. If an investor holds Units on the Termination Record Date, they will be entitled to receive a pro-rata share of the net proceeds of winding up, which is expected to be paid to their nominated bank account on the Termination Payment Date.

To verify or amend a nominated bank account, investors may contact Computershare Investor Services Pty Limited (the **Registrar**) by phone on 1300 757 905 (or on +61 3 9415 4062 if calling from outside Australia).

Contact

For any enquiries on this matter, please contact the Vanguard Client Services Team on 1300 655 101 or at clientservices@vanguard.com.au.

The content of this notice has been prepared without taking into account investors' objectives, financial situation or needs. Investors should consider the appropriateness of any decision they make in response to this notice, having regard to their objectives, financial situation and needs.

Further Information

If you have any queries on Vanguard Active ETFs, please visit vanguard.com.au

Vanguard ETFs will only be issued to Authorised Participants - that is persons who have entered into an Authorised Participant agreement with Vanguard. Retail investors can transact in Vanguard ETFs through a stockbroker or financial adviser on the secondary market. Investors should consider both the Supplementary Product Disclosure Statement and the current Product Disclosure Statement in deciding whether to acquire Vanguard ETFs. Retail investors can only use the Product Disclosure Statement for informational purposes only.

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