



**PRESS RELEASE**

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**VANGUARD INTRODUCES FIVE NEW EQUITY ETFS**

**Firm announces lower management fees for two existing ETFs  
and expects to launch two new fixed income ETFs**

TORONTO (August 12, 2013)—Vanguard Investments Canada Inc. announced today that five new equity Canada-domiciled exchange-traded funds (Vanguard ETFs™) will begin trading this morning on Toronto Stock Exchange (TSX). Vanguard, which entered the Canadian market in December 2011 and saw its Canadian ETFs surpass \$1 billion in assets earlier this year, now offers 16 low-cost, high-quality ETFs.

Vanguard ETF™	Benchmark Index	Annual Management Fee <sup>1</sup> (% of NAV)	TSX Ticker Symbol
Vanguard FTSE Canada All Cap Index ETF	FTSE Canada All Cap Index	0.12%	VCN
Vanguard FTSE Developed ex North America Index ETF	FTSE Developed ex North America Index	0.28% <sup>2</sup>	VDU
Vanguard U.S. Dividend Appreciation Index ETF (CAD-hedged)	NASDAQ US Dividend Achievers Select Index (CAD hedged)	0.28% <sup>2</sup>	VGH
Vanguard U.S. Dividend Appreciation Index ETF	NASDAQ US Dividend Achievers Select Index	0.28% <sup>2</sup>	VGG
Vanguard U.S. Total Market Index ETF	CRSP US Total Market Index	0.15% <sup>2</sup>	VUN

“Vanguard ETFs are distinguished in the market by low-cost, broadly diversified portfolios,” said Atul Tiwari, principal and managing director of Vanguard Investments Canada. “Our new ETFs follow this same principle, enabling financial advisors and investors to better construct broadly diversified portfolios at a low cost.”

Vanguard also announced reduced management fees for Vanguard FTSE Emerging Markets Index ETF (VEE) and Vanguard FTSE Developed ex North America Index ETF (CAD-hedged) (VEF). Effective today, the management fee of VEE fell to 0.33% from 0.49% and, effective July 24, 2013, the management fee of VEF fell to 0.28% from 0.37%. With the addition of the five new ETFs, Vanguard’s lineup of 16 ETFs will feature an industry-low average management fee of 0.21%.\*

Additionally, Vanguard expects to launch two new fixed income Canada-domiciled ETFs in the near future.

Vanguard ETF™	Benchmark Index	Annual Management Fee <sup>1</sup> (% of NAV)	TSX Ticker Symbol
Vanguard U.S. Aggregate Bond Index ETF (CAD-hedged)	Barclays U.S. Aggregate Float Adjusted Index (CAD Hedged)	0.25% <sup>2</sup>	VBU
Vanguard Global ex-U.S. Aggregate Bond Index ETF (CAD-hedged)	Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (CAD Hedged)	0.35% <sup>2</sup>	VBG

### About Vanguard

Vanguard Investments Canada Inc. is a wholly owned indirect subsidiary of The Vanguard Group, Inc. and manages more than \$1 billion (CAD) in assets. Vanguard is one of the world's largest investment management companies and a leading provider of company-sponsored retirement plan services. Vanguard manages more than \$2.5 trillion in global assets, including \$285 billion in global ETF assets. Vanguard has offices in the United States, Canada, Europe, Australia and Asia. The firm offers more than 160 funds to U.S. investors and more than 80 additional funds, including ETFs, to clients in the other markets in which the firm operates.

Vanguard operates under a unique operating structure. Unlike firms that are publicly held or owned by a small group of individuals, The Vanguard Group is owned by Vanguard's US-domiciled funds and ETFs. Those funds, in turn, are owned by Vanguard clients. This unique mutual structure aligns Vanguard interests with those of its investors and drives the culture, philosophy, and policies throughout the Vanguard organization worldwide. As a result, Canadian investors benefit from Vanguard's stability and experience, low-cost investing, and client focus. For more information, please visit [vanguardcanada.ca](http://vanguardcanada.ca).

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All asset figures are as of **July 31, 2013**, unless otherwise noted.

\*As of August 12, 2013

<sup>1</sup>The table reflects management fees payable by the Vanguard ETFs to Vanguard Investments Canada Inc. as reported in the prospectus of the Vanguard ETFs. As the Vanguard ETFs are newly formed and have not yet completed a fiscal period, information in relation to the actual MERs does not exist. MERs for the Vanguard ETFs will first be calculated at the end of their first fiscal period. Vanguard expects that the MERs of the Vanguard ETFs will be substantially similar to their management fees, as it is expected that the only additional fees and expenses that will be borne by the Vanguard ETFs and included in the MER calculation will be any goods and services and/or harmonized sales tax payable by the Vanguard ETFs. Currently, Vanguard Investments Canada Inc. has agreed to pay the ongoing operating expenses of the Vanguard ETF's independent review committee rather than charging those expenses to the Vanguard ETFs. It may discontinue paying such expenses at any time. MERs for ETFs are generally higher than management fees for ETFs.

<sup>2</sup>This Vanguard ETF™ invests primarily in a U.S.-domiciled Vanguard fund. To ensure that there is no duplication of management fees chargeable in connection with the Vanguard ETF and its investment in the Vanguard fund, the management fee payable by the Vanguard ETF to Vanguard Investments Canada Inc. set out above is reduced by the aggregate of the management fee payable by the Vanguard fund to an affiliate of Vanguard Investments Canada Inc. and certain expenses of the Vanguard fund that are paid directly by the Vanguard fund

(together, the “Vanguard fund total expense ratio”). The Vanguard fund total expense ratio is embedded in the market value of the Vanguard fund shares in which the Vanguard ETF invests.

**Commissions, management fees and expenses all may be associated with the Vanguard ETFs™. This offering is only made by prospectus. The prospectus contains important detailed information about the securities being offered. Copies are available from Vanguard Investments Canada Inc. at [www.vanguardcanada.ca](http://www.vanguardcanada.ca). Please read the prospectus before investing. ETFs are not guaranteed, their values change frequently, and past performance may not be repeated.**

Investing in Vanguard ETFs involves risk, including the risk of error in tracking the underlying index. All investments, including those that seek to track an index, are subject to risk, including the possible loss of principal. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

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