



PRESS RELEASE

VANGUARD INTRODUCES LOW-COST ACTIVELY MANAGED MUTUAL FUNDS IN CANADA

The four new mutual funds feature globally diversified flagship investment strategies

TORONTO (June 25, 2018) — Vanguard Investments Canada Inc. has introduced its first suite of actively managed mutual funds in Canada, that are globally diversified and low-cost. The mutual funds feature global investment strategies from some of Vanguard’s longest-tenured sub-advisors and complement the firm’s broad-based lineup of 36 ETFs.

“Vanguard has a deep 40-year history of active management expertise and we are excited to extend that to mutual fund investors in Canada, at a low cost,” said Atul Tiwari, managing director of Vanguard Investments Canada Inc. “These mutual funds reflect our philosophy as an organization with a disciplined long-term approach and world-class investment managers that have worked with Vanguard for decades.”

Globally, The Vanguard Group, Inc. manages over USD \$5 trillion in assets under management and is one of the world’s largest active managers with USD \$1.2 trillion in global actively managed assets under management.

“The contributing factors to successful active management are low costs, talent and patience,” said Tim Huver, head of product, Vanguard Investments Canada Inc. “These mutual funds provide Canadians with access to proven global investment strategies in an innovative fee structure that aligns with the best interests of investors.”

Pricing

Vanguard will use a unique pricing structure in the Canadian marketplace that aligns the interests of the sub-advisors with the funds’ investors. The maximum management fee for each mutual fund will be 0.50% and the management fee will vary up or down, up to that maximum amount, based on the investment performance of each fund.

Mutual Fund	Maximum Management Fee*	First Year Management Fee*
Vanguard Global Balanced Fund	0.50%	0.38%
Vanguard Global Dividend Fund	0.50%	0.34%
Vanguard Windsor U.S. Value Fund	0.50%	0.35%
Vanguard International Growth Fund	0.50%	0.40%

*The management fee is equal to the fee paid by the Vanguard fund to Vanguard Investments Canada Inc. and does not include applicable taxes or other fees and expenses of the Vanguard fund.

The first year management fee highlighted above is effective from June 25, 2018 to June 30, 2019. The funds will be available to financial advisors through Series F units and institutional investors through Series I units.

“As a group, Canadians hold about \$1.5 trillion in mutual fund assets,” added Tiwari. “Vanguard has a long track record of lowering investment costs in the areas in which we operate, so we see providing greater choice and lower costs to a broader group of investors as very positive.”

Vanguard’s mutual funds

Vanguard Global Balanced Fund – The Vanguard Global Balanced Fund seeks to provide long-term capital growth together with some current income by investing primarily in a combination of equity and fixed income securities of issuers located anywhere in the world. This fund will be sub-advised by Wellington Management Canada ULC (and Wellington Management Company LLP, as a sub-advisor to Wellington Management Canada ULC).

Vanguard Global Dividend Fund – The Vanguard Global Dividend Fund seeks to provide an above-average level of current income together with long-term capital growth by investing primarily in dividend paying equity securities of companies located anywhere around the world. This fund will be sub-advised by Wellington Management Canada ULC (and Wellington Management Company LLP, as a sub-advisor to Wellington Management Canada ULC) and The Vanguard Group, Inc.

Vanguard Windsor U.S. Value Fund – The Vanguard Windsor U.S. Value Fund seeks to provide long-term capital appreciation and income by investing primarily in large- and mid-capitalization companies

located in the United States whose stocks are considered to be undervalued. This fund will be sub-advised by Wellington Management Canada ULC (and Wellington Management Company LLP, as a sub-advisor to Wellington Management Canada ULC) and Pzena Investment Management LLC.

Vanguard International Growth Fund – The Vanguard International Growth Fund seeks to provide long-term capital appreciation by investing primarily in the stocks of companies located outside Canada and the United States. This fund will be sub-advised by Baillie Gifford Overseas Limited and Schroder Investment Management North America Inc.

Vanguard offers 36 ETFs in Canada with over CAD \$16 billion in assets. Canadians hold over CAD \$28 billion in Vanguard investments (including both Canadian and U.S. funds).

¹Source: Strategic Insight

About Vanguard

Vanguard Investments Canada Inc. is a wholly owned indirect subsidiary of The Vanguard Group, Inc. and manages over CAD \$16 billion in assets with 36 Canadian ETFs (as of May 31, 2018). The Vanguard Group, Inc. is one of the world's largest investment management companies and a leading provider of company-sponsored retirement plan services. Vanguard manages USD 5 trillion (CAD \$6 trillion) in global assets, including over USD 900 billion (CAD \$1.1 trillion) in global ETF assets (as of May 31, 2018). Vanguard has offices in the United States, Canada, Europe, Australia and Asia. The firm offers 400 funds, including ETFs, to its more than 20 million investors worldwide.

Vanguard operates under a unique operating structure. Unlike firms that are publicly held or owned by a small group of individuals, The Vanguard Group, Inc. is owned by Vanguard's U.S.-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 costs, and client focus. For more information, please visit vanguardcanada.ca.

###

For more information, please contact:

Matt Gierasimczuk
Vanguard Canada Public Relations
Phone: 416-263-7087
matthew_gierasimczuk@vanguard.com