



## PRESS RELEASE

### VANGUARD CANADA ANNOUNCES RISK RATING AND PRODUCT CHANGES TO ETF LINEUP

- These changes follow the previously announced fee reductions for three fixed income ETFs to 0.15%
- Changes announced to risk ratings for certain Vanguard ETFs
- Product review included decision to terminate four Vanguard ETFs

TORONTO (June 19, 2020) — Vanguard Investments Canada Inc. today announced changes to several of its ETFs. These changes reflect a thorough product review and evaluation process to better serve investors through Vanguard's suite of investment solutions in Canada.

#### Fixed Income Fee Reductions

Effective May 19, 2020 [Vanguard has reduced the management fees on three fixed income ETFs to 0.15%](#), the Vanguard Canadian Long-Term Bond Index ETF (VLB), the Vanguard Canadian Government Bond Index ETF (VGV), and the Vanguard Canadian Corporate Bond Index ETF (VCB).

#### Changes to risk rating for 15 Vanguard ETFs

Effective immediately, the risk rating in respect of 15 ETFs will change as set forth in the table below. These changes are the result of an annual review conducted by Vanguard using the investment risk classification methodology set forth in National Instrument 81-102 – *Investment Funds*. No material changes have been made to the investment objectives, strategies or management of the Vanguard ETFs.

ETF Name	Ticker	Old Rating	New Rating
Vanguard Global ex-U.S. Aggregate Bond Index ETF (CAD-hedged)	VBG	Medium	Low
Vanguard FTSE Canadian High Dividend Yield Index ETF	VDY	Low to Medium	Medium
Vanguard FTSE Canada Index ETF	VCE	Low to Medium	Medium

Vanguard FTSE Canada All Cap Index ETF	VCN	Low to Medium	Medium
Vanguard FTSE Global All Cap ex Canada Index ETF	VXC	Low to Medium	Medium
Vanguard FTSE Developed Asia Pacific All Cap Index ETF	VA	Low to Medium	Medium
TSE Developed Asia Pacific All Cap Index ETF (CAD-hedged)	VAH	Low to Medium	Medium
Vanguard FTSE Developed All Cap ex North America Index ETF	VIU	Low to Medium	Medium
Vanguard FTSE Developed All Cap ex North America Index ETF (CAD-hedged)	VI	Low to Medium	Medium
Vanguard U.S. Dividend Appreciation Index ETF	VGG	Low to Medium	Medium
Vanguard U.S. Dividend Appreciation Index ETF (CAD-hedged)	VGH	Low to Medium	Medium
Vanguard U.S. Total Market Index ETF	VUN	Low to Medium	Medium
Vanguard U.S. Total Market Index ETF (CAD-hedged)	VUS	Low to Medium	Medium
Vanguard S&P 500 Index ETF	VFV	Low to Medium	Medium
Vanguard S&P 500 Index ETF (CAD-hedged)	VSP	Low to Medium	Medium

### Termination of Four Vanguard ETFs

Effective on or about August 25, 2020 (the “Termination Date”), the following four ETFs (the “Terminating ETFs”) will be terminated in accordance with the terms of their declaration of trust dated November 4, 2011, as amended:

Vanguard ETF™	TSX ticker symbol
Vanguard Canadian Short-Term Government Bond Index ETF	VSG

Vanguard FTSE Developed Asia Pacific All Cap Index ETF (CAD-hedged)	VAH
Vanguard FTSE Developed Europe All Cap Index ETF (CAD-hedged)	VEH
Vanguard Global Liquidity Factor ETF	VLQ

Effective August 21, 2020, Vanguard will no longer accept further subscriptions for units of the Terminating ETFs.

It is anticipated that the units of the Terminating ETFs will be voluntarily delisted from the Toronto Stock Exchange at the close of business on or about August 21, 2020.

Prior to the Termination Date, the Manager will sell and convert all of the assets of the Terminating ETFs to cash. On the Termination Date, the net assets of each of the Terminating ETFs, after paying or providing for all liabilities and obligations of the ETF will be distributed among the unitholders of the ETF on a pro rata basis.

Vanguard decided to terminate the Terminating ETFs following a thorough ETF product review and believes it's in the best interests of Vanguard's investors by focusing on products which allow Vanguard to deliver value to investors through greater economies of scale.

**About Vanguard**

Canadians own CAD \$42 billion in Vanguard assets, including Canadian and U.S.-domiciled ETFs, Canadian institutional products and Canadian mutual funds. Vanguard Investments Canada Inc. manages CAD \$25 billion in assets (as of April 30, 2020) with 40 Canadian ETFs, four mutual funds, 12 target retirement funds and eight pooled funds currently available. 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 \$5.7 trillion (CAD \$8 trillion) in global assets, including over USD \$1.1 trillion (CAD \$1.5 trillion) in global ETF assets (as of April 30, 2020). Vanguard has offices in the United States, Canada, Mexico, Europe, Australia and Asia. The firm offers 425 funds, including ETFs, to its more than 30 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-cost investing, and client focus. For more information, please visit [vanguardcanada.ca](http://vanguardcanada.ca).

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[Important information](#)

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Please consult your financial and/or tax advisor for financial and/or tax information applicable to your specific situation.

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