

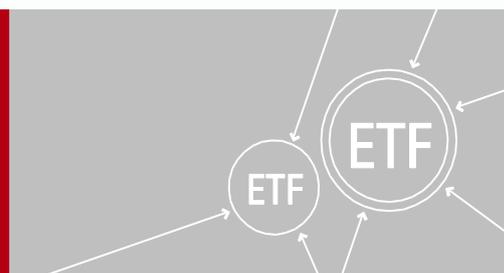
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**Vanguard**

## Annual Report for the Vanguard® Exchange Traded Funds

11 September 2020



Vanguard Investments Australia Ltd announces the following:

ETF	ASX CODE	ANNOUNCEMENT
Vanguard FTSE Asia ex Japan Shares Index ETF	VAE	Annual Report
Vanguard FTSE Europe Shares ETF	VEQ	Annual Report
Vanguard FTSE Emerging Markets Shares ETF	VEE	Annual Report
Vanguard Global Value Equity Active ETF (Managed Fund)	VVLU	Annual Report
Vanguard Global Infrastructure Index ETF	VBLD	Annual Report
Vanguard Global Multi-Factor Active ETF (Managed Fund)	VGMF	Annual Report
Vanguard MSCI Index International Shares ETF	VGS	Annual Report
Vanguard MSCI International Small Companies Index ETF	VISM	Annual Report

Vanguard has prepared an Annual Report for the year ended 30 June 2020, for the Vanguard Wholesale International Equities Funds (Unhedged) and ETFs. The ETFs above are classes of units in the relevant funds. Units in the ETF class are those that are traded on the Australian Securities Exchange (ASX).

The Annual Report provides financial information for each fund and where indicated, provides specific information for the ETF class.

### Further Information

If you have any queries on Vanguard ETFs, please visit [vanguard.com.au](http://vanguard.com.au)

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Vanguard Investments Australia Ltd, Level 13, 130 Lonsdale Street, Melbourne VIC 3000 [vanguard.com.au](http://vanguard.com.au) 1300 655 888

Vanguard Wholesale International Equities Funds (Unhedged)  
and ETFs

2019  
to  
2020

Responsible Entity

Vanguard Investments Australia Ltd  
ABN 72 072 881 086  
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# Vanguard Wholesale International Equities Funds (Unhedged) and ETFs

Vanguard FTSE Asia ex Japan Shares Index ETF	ASX: VAE	ARSN 606 451 110	ABN 50 411 576 623
Vanguard Emerging Markets Shares Index Fund		ARSN 090 939 450	ABN 63 171 298 643
Vanguard FTSE Europe Shares ETF	ASX: VEQ	ARSN 606 480 086	ABN 30 252 933 265
Vanguard FTSE Emerging Markets Shares ETF	ASX: VGE	ARSN 147 937 906	ABN 91 542 729 566
Vanguard International Property Securities Index Fund		ARSN 115 001 002	ABN 97 674 886 440
Vanguard Global Value Equity Fund	ASX: VVLU	ARSN 613 053 062	ABN 71 928 129 734
Vanguard Global Infrastructure Index Fund	ASX: VBLD	ARSN 128 385 277	ABN 82 191 294 545
Vanguard Global Multi-Factor Fund	ASX: VGMF	ARSN 630 597 929	ABN 87 721 624 679
Vanguard International Shares Index Fund	ASX: VGS	ARSN 090 939 610	ABN 56 291 101 711
Vanguard International Small Companies Index Fund	ASX: VISM	ARSN 127 015 472	ABN 20 372 713 731

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## About Vanguard

Since our establishment in 1975, Vanguard has strived to be the world's highest-value provider of investment products and services. We have an unwavering focus on our clients with a commitment to champion what's best for investors by offering outstanding service, while keeping costs low.

Over the years Vanguard has built a reputation as a global leader in client advocacy and earned the trust of millions of investors along the way. Our sole purpose has been to align our interest with those of our investors to ensure they have the best chance for investment success.

With more than AUD \$8.8 trillion in assets under management as of 30 June 2020, including more than AUD \$1.8 trillion in ETFs, Vanguard is one of the world's largest global investment management companies.

In Australia, Vanguard has been serving financial advisers, retail clients and institutional investors for more than 20 years.

### Our unique structure – putting investors' interests first

What sets Vanguard apart - and allows Vanguard to put investors first around the world - is the ownership structure of The Vanguard Group, Inc., in the United States.

Rather than being publicly traded 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 their investors.

This mutual structure aligns our interests with those of our investors and drives the culture, philosophy and policies throughout the Vanguard organisation worldwide. As a result, Australian investors benefit from Vanguard's stability and experience, low costs and client focus.

### Our investment expertise

When you invest with Vanguard, you have more than 40 years of investing experience behind you. So no matter which investment products suit your needs, you can feel confident that Vanguard investments are built on a rigorous investment philosophy that stands the test of time.

### Low-cost investing

We know we can't control the markets, but we can control the costs of investing. To that end, providing low-cost investments isn't a pricing strategy for us. It's how we do business.

We can keep costs low because of our unique ownership structure in the United States, which allows us to return profits to investors through lower costs.

# Directors' report

The Responsible Entity of the Vanguard Wholesale International Equities Funds (Unhedged) and ETFs (the "Funds") for the year ended 30 June 2020 was Vanguard Investments Australia Ltd (the "Responsible Entity").

The directors of Vanguard Investments Australia Ltd present their report together with the financial statements for the year ended 30 June 2020.

## Principal activities

The Funds invest in accordance with the investment policy of the Funds as set out in their respective Product Disclosure Statements (PDSs) and in accordance with the Funds' Constitution. The Funds (except Vanguard Global Value Equity Fund and Vanguard Global Multi-Factor Fund) seek to track the returns of the Funds' respective indices, before taking into account fees, expenses and tax. Vanguard Global Value Equity Fund seeks to provide long term capital appreciation through an active approach that invests in global equity securities demonstrating value characteristics. Vanguard Global Multi-Factor Fund seeks to provide long-term capital appreciation and aims to outperform the FTSE Developed All Cap Index.

The ETF Class units of the Funds operate as Exchange Traded Funds (ETFs) listed on the Australian Securities Exchange (ASX).

The Funds did not have any employees during the year.

There were no significant changes in the nature of the activities of the Funds during the year.

## Directors

The following persons held office as directors of the Responsible Entity during the year and up to the date of this report:

J M Norris

C Lui

J Platt

F Kolimago

## Review and results of operations

The Funds invest in listed equity securities, listed unit trusts, derivatives and cash and cash equivalents. The investment policy of the Funds continues to be in accordance with the provisions of the Funds' Constitution.

## Results

The results of the operations of the Funds were as follows:

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Emerging Markets Shares Index Fund		Vanguard FTSE Europe Shares ETF		Vanguard FTSE Emerging Markets Shares ETF	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	4,876	6,842	(26,733)	72,638	(17,247)	13,301	(11,639)	22,649
<b>Distributions - Wholesale Class</b>								
Distribution paid and payable (\$'000)	-	-	60,926	39,692	-	-	-	-
Distribution (cents per unit)	-	-	10.7838	7.0206	-	-	-	-
<b>Distributions - ETF Class</b>								
Distribution paid and payable (\$'000)	4,931	2,932	-	-	5,257	6,162	9,874	5,525
Distribution (cents per unit)	183.5307	140.7332	-	-	134.8792	149.2453	194.3714	138.4932

# Directors' report (continued)

## Review and results of operations (continued)

### Results (continued)

	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	(289,746)	219,690	(6,749)	(1,008)	(25,418)	98,494
<b>Distributions - Wholesale Class</b>						
Distribution paid and payable (\$'000)	98,858	87,406	311	445	67,764	21,030
Distribution (cents per unit)	5.5396	5.7425	3.8056	4.0722	11.5970	4.6644
<b>Distributions - ETF Class</b>						
Distribution paid and payable (\$'000)	-	-	535	329	2,402	136
Distribution (cents per unit)	-	-	108.5399	118.1267	167.4809	76.7828

	Vanguard Global Multi-Factor Fund		Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	(2,379)	192	803,359	1,826,192	(40,793)	23,769
<b>Distributions - Wholesale Class</b>						
Distribution paid and payable (\$'000)	48	9	902,639	712,107	57,965	43,666
Distribution (cents per unit)	1.3960	0.5903	13.8865	11.5880	8.8811	8.3953
<b>Distributions - ETF Class</b>						
Distribution paid and payable (\$'000)	233	84	50,722	39,531	1,301	316
Distribution (cents per unit)	69.8598	29.3151	191.0484	190.7607	207.3671	196.8638
<b>Distributions - B Class</b>						
Distribution paid and payable (\$'000)	-	-	39,815	13,932	-	-
Distribution (cents per unit)	-	-	341.5366	192.6054	-	-

### Performance

The tables below detail the performance of the Funds as represented by the total return, net of fees, which is calculated as the aggregation of the percentage capital growth and percentage distribution of income. The total return is shown for the past five years to 30 June 2020 and assumes that all distributions were re-invested during that period. These are calculated in accordance with FSC Standard 6.0 Product Performance - calculation and presentation of returns. The directors assess the performance of the Funds by comparing each Fund's total return with the corresponding Index (the "Benchmark") gross of fees.

	2020	2019	2018	2017	2016
	%	%	%	%	%
Vanguard FTSE Asia ex Japan Shares Index ETF					
Capital growth	0.22	2.47	9.40	17.30	0.09
Distribution of income	2.83	2.25	3.19	3.65	1.03
Total return	3.05	4.72	12.59	20.95	1.12
Benchmark					
FTSE Asia Pacific ex Japan, Australia and New Zealand Index (with net dividends reinvested) in AUD	3.50	5.06	12.69	21.43	1.17

# Directors' report (continued)

## Review and results of operations (continued)

### Performance (continued)

	2020 %	2019 %	2018 %	2017 %	2016 %
Vanguard Emerging Markets Shares Index Fund					
Capital growth	(6.94)	2.67	9.48	14.75	(14.28)
Distribution of income	4.96	3.42	2.36	4.77	4.67
Total return	(1.98)	6.09	11.84	19.52	(9.61)
Benchmark					
<i>MSCI Emerging Markets Index (with net dividends reinvested) in AUD</i>	(1.53)	6.56	12.33	20.12	(9.22)
	2020 %	2019 %	2018 %	2017 %	2016 %
Vanguard FTSE Europe Shares ETF					
Capital growth	(7.14)	2.88	5.72	14.59	(9.96)
Distribution of income	2.33	2.83	2.79	2.88	2.19
Total return	(4.81)	5.71	8.51	17.47	(7.77)
Benchmark					
<i>FTSE Developed Europe All Cap Index (with net dividends reinvested) in AUD</i>	(4.65)	6.53	10.34	18.29	(8.50)
	2020 %	2019 %	2018 %	2017 %	2016 %
Vanguard FTSE Emerging Markets Shares ETF					
Capital growth	(5.64)	5.89	7.31	12.56	(11.03)
Distribution of income	2.76	2.31	1.91	2.00	1.76
Total return	(2.88)	8.20	9.22	14.56	(9.27)
Benchmark					
<i>FTSE Emerging Markets All Cap China A Inclusion Index (with net dividends reinvested) in AUD</i>	(1.33)	8.41	10.56	15.88	(10.06)
	2020 %	2019 %	2018 %	2017 %	2016 %
Vanguard International Property Securities Index Fund					
Capital growth	(17.68)	7.99	(0.07)	(11.64)	12.65
Distribution of income	4.36	5.69	9.26	6.93	7.89
Total return	(13.32)	13.68	9.19	(4.71)	20.54
Benchmark					
<i>FTSE EPRA/NAREIT Developed ex-Australia Rental index (with net dividends reinvested) in AUD</i>	(13.44)	13.46	8.95	(4.83)	20.44
	2020 %	2019 %	2018 %	2017 %	2016 %
Vanguard Global Value Equity Fund					
Capital growth	(20.75)	(5.41)	4.71	11.08	-
Distribution of income	3.23	3.52	10.05	4.80	-
Total return	(17.52)	(1.89)	14.76	15.88	-
Benchmark					
<i>FTSE Developed All-Cap Index in AUD</i>	3.88	10.47	15.62	11.95	-

# Directors' report (continued)

## Review and results of operations (continued)

### Performance (continued)

	2020 %	2019 %	2018 %	2017 %	2016 %
Vanguard Global Infrastructure Index Fund					
Capital growth	(11.33)	17.26	3.03	(1.43)	7.36
Distribution of income	8.63	4.48	5.90	7.02	4.21
Total return	(2.70)	21.74	8.93	5.59	11.57
Benchmark					
<i>FTSE Developed Core Infrastructure Index (with net dividends reinvested) in AUD</i>	(2.69)	21.76	8.98	5.52	11.69
	2020 %	2019 %	2018 %	2017 %	2016 %
Vanguard Global Multi-Factor Fund					
Capital growth	(10.03)	0.66	-	-	-
Distribution of income	1.32	0.59	-	-	-
Total return	(8.71)	1.25	-	-	-
Benchmark					
<i>FTSE Developed All-Cap Index in AUD</i>	3.88	2.94	-	-	-
	2020 %	2019 %	2018 %	2017 %	2016 %
Vanguard International Shares Index Fund					
Capital growth	(0.81)	6.47	11.35	7.62	(2.76)
Distribution of income	6.05	5.63	4.09	7.19	3.34
Total return	5.24	12.10	15.44	14.81	0.58
Benchmark					
<i>MSCI World ex-Australia Index (with net dividends reinvested) in AUD</i>	5.18	11.95	15.39	14.73	0.40
	2020 %	2019 %	2018 %	2017 %	2016 %
Vanguard International Small Companies Index Fund					
Capital growth	(9.02)	(2.85)	12.54	9.59	(7.04)
Distribution of income	5.30	5.12	6.51	7.83	6.03
Total return	(3.72)	2.27	19.05	17.42	(1.01)
Benchmark					
<i>MSCI World ex-Australia Small Cap Index (with net dividends reinvested) in AUD</i>	(3.43)	2.36	19.19	17.52	(0.94)

Investors should be aware that past performance is not necessarily an indicator of future performance.

# Directors' report (continued)

## Review and results of operations (continued)

### Unit redemption prices

Unit redemption prices (quoted including distribution) are shown as follows:

	At 30 June		Period high		Period low	
	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$
Vanguard FTSE Asia ex Japan Shares Index ETF	66.4727	66.3611	72.7432	68.3702	60.0162	56.9343
Vanguard Emerging Markets Shares Index Fund	2.0354	2.1858	2.3606	2.2246	1.8534	1.9058
Vanguard FTSE Europe Shares ETF	52.6544	56.9607	62.9566	57.6235	44.9753	48.0810
Vanguard FTSE Emerging Markets Shares ETF	64.2162	68.0283	74.4404	69.6496	57.3842	58.0141
Vanguard International Property Securities Index Fund	0.9694	1.1759	1.3676	1.2268	0.8970	1.0248
Vanguard Global Value Equity Fund - Wholesale Class	0.8763	1.1287	1.2060	1.2245	0.7550	0.9775
Vanguard Global Value Equity Fund - ETF Class	38.6797	48.5051	52.5560	52.6248	33.0168	42.0053
Vanguard Global Infrastructure Index Fund - Wholesale Class	1.2051	1.3226	1.5262	1.3596	1.1412	1.1000
Vanguard Global Infrastructure Index Fund - ETF Class	54.4637	57.3181	67.2250	58.9173	50.2657	47.3072
Vanguard Global Multi-Factor Fund - Wholesale Class	0.9095	1.0115	1.1269	1.0243	0.7783	0.9622
Vanguard Global Multi-Factor Fund - ETF Class	45.5332	50.6237	56.3927	51.2640	38.9486	48.1538
Vanguard International Shares Index Fund - Wholesale Class	2.3707	2.3610	2.7080	2.3979	2.0657	1.9635
Vanguard International Shares Index Fund - ETF Class	77.4472	75.5426	88.1220	76.7704	67.2516	62.2143
Vanguard International Shares Index Fund - B Class	76.9373	75.0030	87.5058	76.2220	66.7814	61.7774
Vanguard International Small Companies Index Fund - Wholesale Class	1.5208	1.6928	1.8512	1.7933	1.2737	1.4167
Vanguard International Small Companies Index Fund - ETF Class	48.1470	52.7716	58.4335	53.6997	40.2084	43.8783

### Significant changes in state of affairs

On 1 July 2019, Vanguard Global Value Equity Fund made the election into the AMIT tax regime.

Market disruptions associated with the COVID-19 pandemic have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect assets of the Funds and thus performance of the Funds.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Funds that occurred during the financial year.

### Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect:

- (i) the operations of the Funds in future financial years; or
- (ii) the results of those operations in future financial years; or
- (iii) the state of affairs of the Funds in future financial years.

### Likely developments and expected results of operations

The Funds will continue to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Funds and in accordance with the provisions of the Funds' Constitution.

The results of the Funds' operations will be affected by a number of factors, including the performance of investment markets in which the Funds invest. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

### Indemnity and insurance of officers and auditors

No insurance premiums were paid for out of the assets of the Funds in regards to insurance cover provided to either the officers of Vanguard Investments Australia Ltd or the auditors of the Funds. So long as the officers of Vanguard Investments Australia Ltd act in accordance with the Funds' Constitution and the Law, the officers remain indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds. The auditors of the Funds are in no way indemnified out of the assets of the Funds.

## Directors' report (continued)

### Fees paid to and interests held in the Funds by the Responsible Entity or its associates

Fees paid to the Responsible Entity and its associates out of the Funds' property during the year are disclosed in note 14 of the financial statements.

No fees were paid out of the Funds' property to the directors of the Responsible Entity during the year.

The number of interests in the Funds held by the Responsible Entity or its associates as at the end of the financial year are disclosed in note 14 of the financial statements.

### Interests in the Funds

The movement in units on issue in the Funds during the year is disclosed in note 9 of the financial statements.

The value of the Funds' assets and liabilities are disclosed on the balance sheet and derived using the basis set out in note 2 of the financial statements.

### Environmental regulation

The operations of the Funds are not subject to any particular or significant environmental regulations under either Commonwealth, State or Territory law.

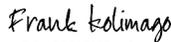
### Rounding of amounts to the nearest thousand dollars

Amounts in the directors' report have been rounded to the nearest thousand dollars in accordance with *ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191*, unless otherwise indicated.

### Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 10.

This report is made in accordance with a resolution of the directors.

DocuSigned by:  
  
DC91B2E3E62D42C...

F Kolimago

*Managing Director*

Melbourne

9 September 2020



## *Auditor's Independence Declaration*

- Vanguard FTSE Asia ex Japan Shares Index ETF
- Vanguard Emerging Markets Shares Index Fund
- Vanguard FTSE Europe Shares ETF
- Vanguard FTSE Emerging Markets Shares ETF
- Vanguard International Property Securities Index Fund
- Vanguard Global Value Equity Fund
- Vanguard Global Infrastructure Index Fund
- Vanguard Global Multi-Factor Fund
- Vanguard International Shares Index Fund
- Vanguard International Small Companies Index Fund

referred to collectively as Vanguard Wholesale International Equities Funds (Unhedged) and ETFs.

As lead auditor for the audit of Vanguard Wholesale International Equities Funds (Unhedged) and ETFs for the year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink that reads 'Britt Hawkins'.

Britt Hawkins  
Partner  
PricewaterhouseCoopers

Melbourne  
9 September 2020

# Statements of comprehensive income

For the year ended 30 June 2020

	Notes	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Emerging Markets Shares Index Fund		Vanguard FTSE Europe Shares ETF		Vanguard FTSE Emerging Markets Shares ETF	
		30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
<b>Investment income</b>									
Interest income		1	5	34	63	-	3	-	3
Dividend income		4,223	3,453	38,359	31,667	-	-	-	-
Distribution income		80	50	341	471	4,684	6,434	9,195	5,790
Net gains/(losses) on financial instruments at fair value through profit or loss	5	1,357	3,766	(56,723)	47,318	(21,299)	7,434	(19,521)	17,738
Other operating income		156	221	320	106	3	14	15	33
<b>Total net investment income/(loss)</b>		<b>5,817</b>	<b>7,495</b>	<b>(17,669)</b>	<b>79,625</b>	<b>(16,612)</b>	<b>13,885</b>	<b>(10,311)</b>	<b>23,564</b>
<b>Expenses</b>									
Responsible Entity's fees	14	712	495	6,752	6,410	623	580	1,322	909
Custody fees		58	66	120	107	1	2	2	1
Transaction costs		27	29	299	227	1	2	4	5
Other operating expenses		144	63	1,893	243	10	-	-	-
<b>Total operating expenses</b>		<b>941</b>	<b>653</b>	<b>9,064</b>	<b>6,987</b>	<b>635</b>	<b>584</b>	<b>1,328</b>	<b>915</b>
<b>Operating profit/(loss)</b>		<b>4,876</b>	<b>6,842</b>	<b>(26,733)</b>	<b>72,638</b>	<b>(17,247)</b>	<b>13,301</b>	<b>(11,639)</b>	<b>22,649</b>
<b>Finance costs attributable to unitholders</b>									
Distributions to unitholders	10	-	-	-	-	-	-	-	-
(Increase)/decrease in net assets attributable to unitholders	9	-	-	-	-	-	-	-	-
<b>Profit/(loss) for the year</b>		<b>4,876</b>	<b>6,842</b>	<b>(26,733)</b>	<b>72,638</b>	<b>(17,247)</b>	<b>13,301</b>	<b>(11,639)</b>	<b>22,649</b>
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		<b>4,876</b>	<b>6,842</b>	<b>(26,733)</b>	<b>72,638</b>	<b>(17,247)</b>	<b>13,301</b>	<b>(11,639)</b>	<b>22,649</b>

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

# Statements of comprehensive income (continued)

For the year ended 30 June 2020

	Notes	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
		30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>							
Interest income		-	10	-	1	-	15
Dividend income		4,876	6,059	691	764	20,293	12,784
Distribution income		58,771	61,163	15	12	1,894	1,282
Net gains/(losses) on financial instruments at fair value through profit or loss	5	(344,249)	160,724	(7,355)	(1,607)	(43,283)	86,783
Other operating income		348	420	43	10	120	99
<b>Total net investment income/(loss)</b>		<b>(280,254)</b>	<b>228,376</b>	<b>(6,606)</b>	<b>(820)</b>	<b>(20,976)</b>	<b>100,963</b>
<b>Expenses</b>							
Responsible Entity's fees	14	8,322	6,859	86	102	4,129	2,310
Custody fees		35	61	24	36	47	30
Transaction costs		135	115	12	14	67	45
Other operating expenses		1,000	1,651	21	36	199	84
<b>Total operating expenses</b>		<b>9,492</b>	<b>8,686</b>	<b>143</b>	<b>188</b>	<b>4,442</b>	<b>2,469</b>
<b>Operating profit/(loss)</b>		<b>(289,746)</b>	<b>219,690</b>	<b>(6,749)</b>	<b>(1,008)</b>	<b>(25,418)</b>	<b>98,494</b>
<b>Finance costs attributable to unitholders</b>							
Distributions to unitholders	10	-	-	(846)	(774)	(70,166)	(21,166)
(Increase)/decrease in net assets attributable to unitholders	9	-	-	7,595	1,782	95,584	(77,328)
<b>Profit/(loss) for the year</b>		<b>(289,746)</b>	<b>219,690</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		<b>(289,746)</b>	<b>219,690</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

# Statements of comprehensive income (continued)

For the year ended 30 June 2020

	Notes	Vanguard Global Multi-Factor Fund		Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
		30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
<b>Investment income</b>							
Interest income		-	-	189	478	-	16
Dividend income		374	97	346,232	329,441	13,423	11,424
Distribution income		7	3	13,731	14,208	3,836	3,259
Net gains/(losses) on financial instruments at fair value through profit or loss	5	(2,658)	103	480,761	1,506,515	(54,377)	12,148
Other operating income		5	11	2,620	4,495	1,012	288
<b>Total net investment income/(loss)</b>		<b>(2,272)</b>	<b>214</b>	<b>843,533</b>	<b>1,855,137</b>	<b>(36,106)</b>	<b>27,135</b>
<b>Expenses</b>							
Responsible Entity's fees	14	63	11	33,402	27,722	4,079	3,120
Custody fees		25	-	55	43	55	37
Transaction costs		7	2	436	106	85	45
Other operating expenses		12	9	6,281	1,074	468	164
<b>Total operating expenses</b>		<b>107</b>	<b>22</b>	<b>40,174</b>	<b>28,945</b>	<b>4,687</b>	<b>3,366</b>
<b>Operating profit/(loss)</b>		<b>(2,379)</b>	<b>192</b>	<b>803,359</b>	<b>1,826,192</b>	<b>(40,793)</b>	<b>23,769</b>
<b>Finance costs attributable to unitholders</b>							
Distributions to unitholders	10	(281)	(93)	(993,176)	(765,570)	(59,266)	(43,982)
(Increase)/decrease in net assets attributable to unitholders	9	2,660	(99)	189,817	(1,060,622)	100,059	20,213
<b>Profit/(loss) for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

# Balance sheets

As at 30 June 2020

	Notes	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Emerging Markets Shares Index Fund		Vanguard FTSE Europe Shares ETF		Vanguard FTSE Emerging Markets Shares ETF	
		30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
<b>Assets</b>									
Cash and cash equivalents	11	1,933	614	12,519	10,683	107	334	283	373
Margin accounts		288	74	1,836	780	-	-	-	-
Receivables		81	57	770	1,650	12	15	29	26
Accrued income		695	779	3,949	5,404	-	-	-	-
Due from brokers - receivable for securities sold		6	1	594	8	1,501	2,964	1,642	1,497
Financial assets at fair value through profit or loss	6	181,522	167,676	1,152,207	1,280,087	172,702	236,623	344,766	315,443
<b>Total assets</b>		<b>184,525</b>	<b>169,201</b>	<b>1,171,875</b>	<b>1,298,612</b>	<b>174,322</b>	<b>239,936</b>	<b>346,720</b>	<b>317,339</b>
<b>Liabilities</b>									
Distribution payable	10	1,499	1,447	18,194	19,719	1,841	3,596	2,058	1,737
Payables		59	54	4,453	7,684	39	53	107	101
Other liabilities		-	70	-	645	-	-	-	-
Due to brokers - payables for securities purchased		7	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	7	18	-	42	-	-	-	-	-
<b>Total liabilities</b>		<b>1,583</b>	<b>1,571</b>	<b>22,689</b>	<b>28,048</b>	<b>1,880</b>	<b>3,649</b>	<b>2,165</b>	<b>1,838</b>
<b>Net assets attributable to unitholders (equity)</b>	9	<b>182,942</b>	<b>167,630</b>	<b>1,149,186</b>	<b>1,270,564</b>	<b>172,442</b>	<b>236,287</b>	<b>344,555</b>	<b>315,501</b>

	Notes	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
		30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
<b>Assets</b>							
Cash and cash equivalents	11	5,641	19,595	165	528	5,635	10,152
Margin accounts		1,696	1,311	23	11	770	452
Receivables		24,690	11,078	209	24	5,527	4,308
Accrued income		5,939	6,863	30	34	1,379	1,458
Due from brokers - receivable for securities sold		-	79	-	338	5,042	6
Financial assets at fair value through profit or loss	6	1,816,954	1,886,522	33,015	22,706	789,197	675,263
<b>Total assets</b>		<b>1,854,920</b>	<b>1,925,448</b>	<b>33,442</b>	<b>23,641</b>	<b>807,550</b>	<b>691,639</b>
<b>Liabilities</b>							
Distribution payable	10	18,446	16,558	169	426	30,906	10,490
Payables		812	962	102	6	979	410
Due to brokers - payables for securities purchased		16,087	20,460	-	476	-	2,299
Financial liabilities at fair value through profit or loss	7	170	159	-	-	8	44
<b>Total liabilities</b>		<b>35,515</b>	<b>38,139</b>	<b>271</b>	<b>908</b>	<b>31,893</b>	<b>13,243</b>
<b>Net assets attributable to unitholders (equity)</b>	9	<b>1,819,405</b>	<b>1,887,309</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net assets attributable to unitholders (liability)</b>	9	<b>-</b>	<b>-</b>	<b>33,171</b>	<b>22,733</b>	<b>775,657</b>	<b>678,396</b>

The above balance sheets should be read in conjunction with the accompanying notes.

## Balance sheets (continued)

As at 30 June 2020

	Notes	Vanguard Global Multi-Factor Fund		Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
		30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
<b>Assets</b>							
Cash and cash equivalents	11	29	66	144,010	86,110	7,404	7,437
Margin accounts		26	6	18,509	6,237	1,205	474
Receivables		7	3	108,883	71,996	2,360	621
Accrued income		18	20	15,113	17,438	1,207	1,255
Due from brokers - receivable for securities sold		57	81	20	4	8,158	12,569
Financial assets at fair value through profit or loss	6	20,442	15,833	18,299,490	16,916,804	1,083,412	914,064
<b>Total assets</b>		<b>20,579</b>	<b>16,009</b>	<b>18,586,025</b>	<b>17,098,589</b>	<b>1,103,746</b>	<b>936,420</b>
<b>Liabilities</b>							
Distribution payable	10	110	93	587,529	362,699	18,523	27,350
Payables		5	5	103,837	34,010	11,725	10,576
Due to brokers - payables for securities purchased		-	-	-	-	21	1,156
Financial liabilities at fair value through profit or loss	7	-	-	214	-	10	3
<b>Total liabilities</b>		<b>115</b>	<b>98</b>	<b>691,580</b>	<b>396,709</b>	<b>30,279</b>	<b>39,085</b>
<b>Net assets attributable to unitholders (liability)</b>	9	<b>20,464</b>	<b>15,911</b>	<b>17,894,445</b>	<b>16,701,880</b>	<b>1,073,467</b>	<b>897,335</b>

The above balance sheets should be read in conjunction with the accompanying notes.

# Statements of changes in equity

For the year ended 30 June 2020

	Notes	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Emerging Markets Shares Index Fund		Vanguard FTSE Europe Shares ETF		Vanguard FTSE Emerging Markets Shares ETF	
		30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
<b>Total equity at the beginning of the financial year</b>		167,630	95,816	1,270,564	1,005,897	236,287	191,578	315,501	204,056
<b>Comprehensive income for the year</b>									
Profit/(loss) for the year		4,876	6,842	(26,733)	72,638	(17,247)	13,301	(11,639)	22,649
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		4,876	6,842	(26,733)	72,638	(17,247)	13,301	(11,639)	22,649
<b>Transactions with unitholders</b>									
Applications		29,766	67,518	345,274	359,070	23,762	37,359	60,100	93,835
Redemptions		(15,120)	-	(424,648)	(149,654)	(65,372)	-	(10,571)	-
Units issued upon reinvestment of distributions		721	386	45,655	22,305	269	211	1,038	486
Distributions paid and payable	10	(4,931)	(2,932)	(60,926)	(39,692)	(5,257)	(6,162)	(9,874)	(5,525)
<b>Total transactions with unitholders</b>		10,436	64,972	(94,645)	192,029	(46,598)	31,408	40,693	88,796
<b>Total equity at the end of the financial year</b>		182,942	167,630	1,149,186	1,270,564	172,442	236,287	344,555	315,501

	Notes	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund			
		30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000		
<b>Total equity at the beginning of the financial year</b>				1,887,309	1,641,251	-	-	-	322,101
Reclassification due to AMIT tax regime implementation	9			-	-	-	-	-	(322,101)
<b>Comprehensive income for the year</b>									
Profit/(loss) for the year				(289,746)	219,690	-	-	-	-
Other comprehensive income				-	-	-	-	-	-
<b>Total comprehensive income for the year</b>				(289,746)	219,690	-	-	-	-
<b>Transactions with unitholders</b>									
Applications				722,614	660,842	-	-	-	-
Redemptions				(470,815)	(670,059)	-	-	-	-
Units issued upon reinvestment of distributions				68,901	122,991	-	-	-	-
Distributions paid and payable	10			(98,858)	(87,406)	-	-	-	-
<b>Total transactions with unitholders</b>				221,842	26,368	-	-	-	-
<b>Total equity at the end of the financial year</b>				1,819,405	1,887,309	-	-	-	-

The above statements of changes in equity should be read in conjunction with the accompanying notes.

# Statements of changes in equity (continued)

For the year ended 30 June 2020

	Notes	Vanguard Global Multi-Factor Fund		Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
		30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
<b>Total equity at the beginning of the financial year</b>		-	-	-	-	-	694,715
Reclassification due to AMIT tax regime implementation	9	-	-	-	-	-	(694,715)
<b>Comprehensive income for the year</b>							
Profit/(loss) for the year		-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		-	-	-	-	-	-
<b>Transactions with unitholders</b>							
Applications		-	-	-	-	-	-
Redemptions		-	-	-	-	-	-
Units issued upon reinvestment of distributions		-	-	-	-	-	-
Distributions paid and payable	10	-	-	-	-	-	-
<b>Total transactions with unitholders</b>		-	-	-	-	-	-
<b>Total equity at the end of the financial year</b>		-	-	-	-	-	-

The above statements of changes in equity should be read in conjunction with the accompanying notes.

# Statements of cash flows

For the year ended 30 June 2020

	Notes	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Emerging Markets Shares Index Fund		Vanguard FTSE Europe Shares ETF		Vanguard FTSE Emerging Markets Shares ETF	
		30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
<b>Cash flows from operating activities</b>									
Proceeds from sale of financial instruments at fair value through profit or loss		29,699	3,227	363,656	98,643	72,173	5,275	18,849	3,852
Purchases of financial instruments at fair value through profit or loss		(42,583)	(71,127)	(291,741)	(336,606)	(28,021)	(43,097)	(67,805)	(98,275)
Transaction costs on purchases of financial instruments at fair value through profit or loss		(27)	(29)	(299)	(227)	(1)	(2)	(4)	(5)
Interest received		1	5	46	61	-	3	-	3
Dividends received		4,202	2,968	40,274	30,042	-	-	-	-
Distributions received		78	45	332	471	4,684	6,434	9,195	5,790
Other income received		156	221	383	762	6	14	15	33
Responsible Entity's fees paid		(707)	(471)	(6,240)	(6,309)	(637)	(568)	(1,316)	(867)
Operating expenses paid		(273)	(73)	(2,658)	(350)	(11)	(9)	(5)	(16)
<b>Net cash inflow/(outflow) from operating activities</b>	12(a)	<b>(9,454)</b>	<b>(65,234)</b>	<b>103,753</b>	<b>(213,513)</b>	<b>48,193</b>	<b>(31,950)</b>	<b>(41,071)</b>	<b>(89,485)</b>
<b>Cash flows from financing activities</b>									
Proceeds from applications by unitholders		29,766	67,518	345,300	360,580	23,762	37,359	60,100	93,835
Payments for redemptions by unitholders		(15,120)	-	(428,391)	(143,706)	(65,372)	-	(10,571)	-
Distributions paid from operating activities		(4,158)	(2,384)	(16,796)	(5,686)	(6,743)	(5,282)	(8,515)	(4,238)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>10,488</b>	<b>65,134</b>	<b>(99,887)</b>	<b>211,188</b>	<b>(48,353)</b>	<b>32,077</b>	<b>41,014</b>	<b>89,597</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>									
Cash and cash equivalents at the beginning of the year		614	700	10,683	12,933	334	166	373	218
Effects of foreign currency exchange rate changes on cash and cash equivalents		285	14	(2,030)	75	(67)	41	(33)	43
<b>Cash and cash equivalents at the end of the year</b>	11	<b>1,933</b>	<b>614</b>	<b>12,519</b>	<b>10,683</b>	<b>107</b>	<b>334</b>	<b>283</b>	<b>373</b>
Non-cash financing activities	12(b)	721	386	45,655	22,305	269	211	1,038	486

The above statements of cash flows should be read in conjunction with the accompanying notes.

# Statements of cash flows (continued)

For the year ended 30 June 2020

	Notes	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
		30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>							
Proceeds from sale of financial instruments at fair value through profit or loss		394,637	587,951	15,246	30,781	267,707	90,228
Purchases of financial instruments at fair value through profit or loss		(672,440)	(612,331)	(32,998)	(27,209)	(430,642)	(347,815)
Transaction costs on purchases of financial instruments at fair value through profit or loss		(135)	(115)	(12)	(14)	(67)	(45)
Interest received		5	15	-	1	3	16
Dividends received		6,148	5,729	702	764	20,082	11,697
Distributions received		59,075	60,936	15	13	1,924	1,087
Other income received		348	420	43	10	120	99
Responsible Entity's fees paid		(8,332)	(6,776)	(85)	(103)	(3,688)	(2,176)
Operating expenses paid		(1,034)	(1,748)	(44)	(72)	(277)	(152)
<b>Net cash inflow/(outflow) from operating activities</b>	12(a)	<b>(221,728)</b>	34,081	<b>(17,133)</b>	4,171	<b>(144,838)</b>	(247,061)
<b>Cash flows from financing activities</b>							
Proceeds from applications by unitholders		708,276	692,883	20,764	17,226	539,811	402,817
Payments for redemptions by unitholders		(470,956)	(670,222)	(3,093)	(20,558)	(375,298)	(141,133)
Distributions paid from operating activities		(28,069)	(50,798)	(840)	(472)	(22,567)	(10,055)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>209,251</b>	(28,137)	<b>16,831</b>	(3,804)	<b>141,946</b>	251,629
<b>Net increase/(decrease) in cash and cash equivalents</b>							
Cash and cash equivalents at the beginning of the year		19,595	13,687	528	134	10,152	6,135
Effects of foreign currency exchange rate changes on cash and cash equivalents		(1,477)	(36)	(61)	27	(1,625)	(551)
<b>Cash and cash equivalents at the end of the year</b>	11	<b>5,641</b>	19,595	<b>165</b>	528	<b>5,635</b>	10,152
Non-cash financing activities	12(b)	68,901	122,991	263	1,460	27,183	13,368

The above statements of cash flows should be read in conjunction with the accompanying notes.

# Statements of cash flows (continued)

For the year ended 30 June 2020

	Notes	Vanguard Global Multi-Factor Fund		Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
		30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>							
Proceeds from sale of financial instruments at fair value through profit or loss		18,794	524	2,434,207	1,045,585	253,746	121,805
Purchases of financial instruments at fair value through profit or loss		(26,021)	(16,361)	(3,339,133)	(1,902,605)	(475,319)	(311,862)
Transaction costs on purchases of financial instruments at fair value through profit or loss		(7)	(2)	(436)	(106)	(85)	(45)
Interest received		-	-	214	464	-	15
Dividends received		373	74	355,232	317,651	13,420	10,892
Distributions received		7	2	13,811	13,964	3,896	3,150
Other income received		5	11	2,620	4,495	1,012	295
Responsible Entity's fees paid		(63)	(6)	(33,164)	(27,428)	(4,303)	(2,777)
Operating expenses paid		(38)	(10)	(6,413)	(1,281)	(563)	(201)
<b>Net cash inflow/(outflow) from operating activities</b>	12(a)	<b>(6,950)</b>	<b>(15,768)</b>	<b>(573,062)</b>	<b>(549,261)</b>	<b>(208,196)</b>	<b>(178,728)</b>
<b>Cash flows from financing activities</b>							
Proceeds from applications by unitholders		7,700	15,812	4,638,581	3,265,698	388,823	256,598
Payments for redemptions by unitholders		(706)	-	(3,774,550)	(2,623,448)	(174,835)	(71,642)
Distributions paid from operating activities		(45)	-	(224,440)	(204,375)	(6,229)	(3,083)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>6,949</b>	<b>15,812</b>	<b>639,591</b>	<b>437,875</b>	<b>207,759</b>	<b>181,873</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>							
Cash and cash equivalents at the beginning of the year		66	-	86,110	189,547	7,437	3,788
Effects of foreign currency exchange rate changes on cash and cash equivalents		(36)	22	(8,629)	7,949	404	504
<b>Cash and cash equivalents at the end of the year</b>	11	<b>29</b>	<b>66</b>	<b>144,010</b>	<b>86,110</b>	<b>7,404</b>	<b>7,437</b>
Non-cash financing activities	12(b)	219	-	543,906	520,501	61,864	42,723

The above statements of cash flows should be read in conjunction with the accompanying notes.

# Notes to the financial statements

For the year ended 30 June 2020

## 1 General information

These financial statements cover the Vanguard Wholesale International Equities Funds (Unhedged) and ETFs (the "Funds") as registered managed investment schemes. The respective constitution dates are as follows:

- Vanguard FTSE Asia ex Japan Shares Index ETF 29 May 2015
- Vanguard Emerging Markets Shares Index Fund 6 December 1996
- Vanguard FTSE Europe Shares ETF 28 May 2015
- Vanguard FTSE Emerging Markets Shares ETF 17 December 2010
- Vanguard International Property Securities Index Fund 27 June 2005
- Vanguard Global Value Equity Fund 10 June 2016
- Vanguard Global Infrastructure Index Fund 26 October 2007
- Vanguard Global Multi-Factor Fund 12 December 2018
- Vanguard International Shares Index Fund 6 December 1996
- Vanguard International Small Companies Index Fund 9 August 2007

The Responsible Entity of the Vanguard Wholesale International Equities Funds (Unhedged) and ETFs is Vanguard Investments Australia Ltd (the "Responsible Entity"). The Responsible Entity's registered office is Level 13, 130 Lonsdale Street, Melbourne VIC 3000.

The Funds invest in accordance with the investment policy of the Funds as set out in their respective Product Disclosure Statements (PDSs) and in accordance with the Funds' Constitution. The Funds (except Vanguard Global Value Equity Fund and Vanguard Global Multi-Factor Fund) seek to track the returns of the Funds' respective indices, before taking into account fees, expenses and tax. Vanguard Global Value Equity Fund seeks to provide long term capital appreciation through an active approach that invests in global equity securities demonstrating value characteristics. Vanguard Global Multi-Factor Fund seeks to provide long-term capital appreciation and aims to outperform the FTSE Developed All Cap Index.

The ETF Class units of the Funds operate as Exchange Traded Funds (ETFs) listed on the Australian Securities Exchange (ASX).

### Implementation of AMIT regime

On 5 May 2016, a new tax regime applying to Managed Investment Trusts ("MITs") was established under the Tax Laws Amendment (New Tax System for Managed Investment Trusts) Act 2016. The Attribution Managed Investment Trust ("AMIT") regime allows MITs that meet certain requirements to make an irrevocable choice to be an AMIT. In order to allow the Funds to elect into the AMIT tax regime, the Funds' Constitution have been amended and the other conditions to adopt the AMIT tax regime have been met effective 1 July 2017. The Responsible Entity is therefore no longer contractually obligated to pay distributions to unitholders where the Fund meets the criteria set out under AASB 132. On 1 July 2019, the Vanguard Global Value Equity Fund made the election into the AMIT tax regime.

For the Vanguard Global Value Equity Fund, the net assets attributable to unitholders remain disclosed as a liability as the multi-class structure means it has not met the strict criteria for recognition as equity, despite its election into the AMIT tax regime also.

The financial statements were authorised for issue by the directors on 9 September 2020. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated in the following text.

### (a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Accounting Standards Board and the *Corporations Act 2001* in Australia. The Funds are for-profit unit trusts for the purpose of preparing the financial statements.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The balance sheet is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All material balances are expected to be recovered or settled within twelve months, except for investments in financial assets at fair value through profit or loss and net assets attributable to unitholders. The amount expected to be recovered or settled within twelve months after the end of each reporting period cannot be reliably determined.

The Funds manage financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such it is expected that a portion of the portfolio will be realised within 12 months, however, an estimate of that amount cannot be determined as at balance date.

In the case of net assets attributable to unitholders, the units are redeemed on demand at the unitholder's option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within 12 months cannot be reliably determined.

### (i) Compliance with International Financial Reporting Standards

The financial statements of the Funds also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### (ii) New and amended standards adopted by the Funds

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2019 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

### (iii) New standards, amendments and interpretations effective after 1 July 2020 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2020, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Funds.

## (b) Financial instruments

### (i) Classification

The Funds classify their investments based on their business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Funds' portfolio of financial assets is managed and performance is evaluated on a fair value basis in accordance with the Funds' documented investment strategy. The Funds' policy is for the Responsible Entity to evaluate the information about these financial assets on a fair value basis together with other related financial information.

### (ii) Recognition/derecognition

The Funds recognise financial assets and financial liabilities on the date they become party to the contractual agreement (trade date) and recognise changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments has expired or the Funds have transferred substantially all risks and rewards of ownership.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 2 Summary of significant accounting policies (continued)

### (b) Financial instruments (continued)

#### (iii) Measurement

At initial recognition, the Funds measure financial assets and financial liabilities at fair value. Transaction costs of financial assets carried at fair value through profit and loss are expensed in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within net gains/(losses) on financial instruments at fair value through profit or loss in the period in which they arise.

For further details on how the fair value of the financial instruments is determined are disclosed in note 4.

#### (iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

### (c) Net assets attributable to unitholders

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders.

The units can be put back to the Funds at any time for cash based on the redemption price, which is equal to a proportionate share of the Funds' net asset value attributable to the unitholders.

The units are carried at the redemption amount that is payable at balance sheet date if the holder exercises the right to put the units back to the Funds. This amount represents the expected cash flows on redemption of these units.

Units are classified as equity when they satisfy the following criteria under AASB 132 *Financial instruments: Presentation*:

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Fund's liquidation
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical
- the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavourable conditions to the Fund, and it is not a contract settled in the Fund's own equity instruments; and
- the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss.

### (d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Funds' main income generating activity.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 2 Summary of significant accounting policies (continued)

### (e) Margin accounts

Deposits held with brokers for margin, represent restricted margin deposits for derivative financial instruments.

The reported balance for collateral margins represents the level of restricted cash required to be settled as at close of business at balance sheet date.

### (f) Investment income

Dividend and distribution income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income within dividend income and distribution income when the Fund's right to receive payments is established.

Other changes in fair value for such instruments are recorded in accordance with the policies described in note 2(b) to the financial statements.

### (g) Expenses

All expenses, including Responsible Entity's fees and custodian fees, are recognised in the statement of comprehensive income on an accruals basis.

### (h) Income tax

Under current legislation, Funds that have elected into the AMIT tax regime are not subject to income tax provided they attribute the entirety of their taxable income to their unitholders.

The benefits of imputation credits and foreign tax paid are passed on to unitholders.

### (i) Distributions

Distributions are payable as set out in the Funds' Product Disclosure Statement and/or Funds' Constitution. Such distributions are recognised as payable when they are determined by the Responsible Entity of the Funds.

### (j) Increase/decrease in net assets attributable to unitholders

Income not distributed is included in net assets attributable to unitholders. Where the Funds' units are classified as liabilities, movements in net assets attributable to unitholders are recognised in the statement of comprehensive income as finance costs.

### (k) Functional and presentation currency

#### (i) Functional and presentation currency

Items included in the Funds' financial statements are measured using the currency of the primary economic environment in which it operates (the 'functional currency'). This is the Australian dollar, which reflects the currency of the economy in which the Funds compete for funds and is regulated. The Australian dollar is also the Funds' presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the statement of comprehensive income on a net basis within net gains/(losses) on financial instruments at fair value through profit or loss.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 2 Summary of significant accounting policies (continued)

### (l) Due from/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Funds shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Funds shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance.

### (m) Receivables and accrued income

Receivables may include amounts for dividends, interest and trust distributions. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment in accordance with the policy set out in note 2(f) above. Amounts are generally received within 30 days of being recorded as receivables.

### (n) Payables

Payables include liabilities and accrued expenses owing by the Funds which are unpaid as at the end of the reporting period.

As the Funds have a contractual obligation to distribute their distributable income, a separate distribution payable is recognised in the balance sheet as at the end of each reporting period where this amount remains unpaid as at the end of the reporting period.

### (o) Applications and redemptions

Applications received for units in the Funds are recorded net of any entry fees payable prior to the issue of units in the Funds. Redemptions from the Funds are recorded gross of any exit fees payable after the cancellation of units redeemed.

### (p) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Responsible Entity by third parties have been passed onto the Funds. The Funds qualify for Reduced Input Tax Credit recovery rate of between 55% and 100%, hence Responsible Entity's fees, custodial fees and other expenses have been recognised in the statement of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the balance sheet. Cash flows relating to GST are included in the statement of cash flows on a gross basis.

### (q) Comparative revisions

Comparative information has been revised where appropriate to enhance comparability. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

### (r) Use of estimates

The Funds make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Funds' financial instruments, quoted market prices are readily available. However, certain financial instruments, for example, over-the-counter derivatives or unquoted securities, are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For certain other financial instruments, including amounts due from/to brokers and payables, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 2 Summary of significant accounting policies (continued)

### (s) Investment entity exception

AASB 10 *Consolidated Financial Statements* for investment entities includes an exception to the consolidation rules for those entities qualifying as "investment entities". Subsidiaries of investment entities will be accounted for at fair value through profit or loss, in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*.

A parent entity will need to make an assessment of whether it meets the definition of an investment entity. An investment entity is defined as an entity that:

- (a) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- (b) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- (c) measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Funds have multiple investments that they control. However, the Funds have determined that they are investment entities under the definition in AASB 10, as they meet the following criteria:

- (a) the Funds have obtained funds from unitholders for the purpose of providing them with investment management services;
- (b) the Funds' business purpose, which is communicated directly to unitholders, is investing solely for returns from capital appreciation and investment income; and
- (c) the performance of investments made by the Funds are measured and evaluated on a fair value basis.

The Funds also meet all of the typical characteristics of an investment entity, including:

- (a) holding more than one investment;
- (b) having more than one investor;
- (c) having investors that are not related parties of the entity; and
- (d) having ownership interests in the form of equity or similar interests.

As the Funds measure all of their controlled entities at fair value through profit or loss, they only present separate financial statements.

### (t) Securities lending arrangements

The Vanguard FTSE Asia ex Japan Shares Index ETF, Vanguard Emerging Markets Shares Index Fund, Vanguard International Property Securities Index Fund, Vanguard Global Value Equity Fund, Vanguard Global Infrastructure Index Fund, Vanguard Global Multi-Factor Fund, Vanguard International Shares Index Fund and Vanguard International Small Companies Index Fund have entered into securities lending arrangements under which legal title to some of the Funds' assets may be transferred to another entity. The securities are loaned by JPM Chase Bank, N.A., Sydney Branch as agent of the Responsible Entity, to a limited number of pre-approved brokers and other financial institutions (the "Borrowers"). The Borrowers provide collateral against loans to an amount of 105% of the fair value of the loaned securities. The earnings on securities lending arrangements have been recognised in the statement of comprehensive income as other income. All securities lending revenue, with the exception of a minimal lending agent fee, are received directly into the Funds.

The risks and benefits of ownership of the loaned assets remain with the Funds, because the Funds continue to enjoy the risks and benefits of ownership, assets that have been loaned have not been derecognised (i.e. treated as having been sold). JPM Chase Bank, N.A., Sydney Branch, as lending agent, indemnifies the Funds for replacement of any loaned securities (or, in certain circumstances, return of equivalent cash value) due to a Borrower default on a security loan.

Details of all open transactions at year end are disclosed in note 16.

### (u) Rounding of amounts

The Funds are registered schemes of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, relating to the "rounding off" amounts in the financial statements. Amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise indicated.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management

The Funds' activities expose them to a variety of financial risks: market risk (including price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Funds' overall risk management program focuses on ensuring compliance with the Funds' Product Disclosure Statement and seeks to maximise the returns derived for the level of risk to which the Funds are exposed. The Funds use derivative financial instruments to moderate and create certain risk exposures. Financial risk management is carried out by the investment management department of the Responsible Entity under policies approved by the Board of Directors of the Responsible Entity (the "Board").

The Funds use different methods to measure different types of risks to which they are exposed. These methods are explained on the following pages.

Market disruptions associated with the COVID-19 pandemic have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect assets of the Funds and thus performance of the Funds.

### (a) Market risk

#### (i) Price risk

The Funds are exposed to equity securities and derivative price risk. This arises from investments held by the Funds for which prices in the future are uncertain. Where non-monetary financial instruments are denominated in currencies other than the Australian dollar, the price in the future will also fluctuate because of changes in foreign exchange rates. Paragraph (ii) 'Foreign exchange risk' below sets out how this component of price risk is managed and measured.

In any asset sector the returns of individual securities are a combination of the market returns and returns specific to each security. By diversifying their holdings across the market, index funds are generally well protected from the specific risk of individual securities. Vanguard employs an indexing investment strategy in all asset classes in which the Funds invest.

At 30 June, the fair value of equities and related derivatives exposed to price risk were as follows:

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Emerging Markets Shares Index Fund		Vanguard FTSE Europe Shares ETF		Vanguard FTSE Emerging Markets Shares ETF	
	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
	Derivative assets	1	1	5	14	-	-	-
Equity securities	179,750	165,484	1,144,498	1,265,333	-	-	-	-
Listed unit trusts	1,771	2,191	7,704	14,740	172,702	236,623	344,766	315,443
Derivative liabilities	(18)	-	(42)	-	-	-	-	-
<b>Net total</b>	<b>181,504</b>	<b>167,676</b>	<b>1,152,165</b>	<b>1,280,087</b>	<b>172,702</b>	<b>236,623</b>	<b>344,766</b>	<b>315,443</b>

	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
	Derivative assets	36	8	2	3	47
Equity securities	261,857	243,126	32,546	22,518	683,473	604,385
Listed unit trusts	1,555,048	1,643,385	467	185	105,677	70,856
Derivative liabilities	(154)	(155)	-	-	-	(40)
<b>Net total</b>	<b>1,816,787</b>	<b>1,886,364</b>	<b>33,015</b>	<b>22,706</b>	<b>789,197</b>	<b>675,223</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (i) Price risk (continued)

	Vanguard Global Multi-Factor Fund		Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Derivative assets	-	2	155	134	65	53
Equity securities	20,364	15,637	17,873,391	16,500,402	989,508	825,313
Listed unit trusts	78	194	425,943	416,252	93,839	88,698
Derivative liabilities	-	-	-	-	-	(3)
<b>Net total</b>	<b>20,442</b>	<b>15,833</b>	<b>18,299,489</b>	<b>16,916,788</b>	<b>1,083,412</b>	<b>914,061</b>

The tables presented in note 3(b) summarise the impact on operating profit before finance costs attributable to unitholders and liabilities attributable to unitholders from possible changes in market prices that were reasonably based on the risk that the Funds were exposed to at reporting date.

#### (ii) Foreign exchange risk

The Funds have exposure to foreign assets and holds both monetary and non-monetary assets denominated in currencies other than the Australian dollar. Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk, not foreign exchange risk. The risk is measured using sensitivity analysis.

The Funds are exposed to foreign exchange risk as a result of investments in financial instruments denominated in foreign currencies. Fluctuations in the value of the Australian dollar and foreign currencies can affect the returns from overseas investments. This is because gains or losses must be converted back to Australian dollars. Accordingly, these Funds are affected directly by currency fluctuations.

The foreign exchange risk disclosures have been prepared on the basis of the Funds' direct investments and not on a look-through basis to investments held via interposed investment funds. In addition, any currency hedging to minimise the impact of foreign exchange risk has not been incorporated into the disclosures unless the derivatives are held directly in these Funds.

In accordance with the Funds' policy, the Investment Manager monitors the Funds' foreign exchange exposure on a daily basis.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Foreign exchange risk (continued)

The tables below summarise the Funds' assets and liabilities that are denominated in a currency other than the Australian dollar.

Vanguard FTSE Asia ex Japan Shares Index ETF										
	30 Jun 2020					30 Jun 2019				
	Hong Kong Dollar A\$'000	Taiwan New Dollar A\$'000	Korean Won A\$'000	US Dollar A\$'000	Other currencies A\$'000	Hong Kong Dollar A\$'000	Taiwan New Dollar A\$'000	Korean Won A\$'000	Indian Rupee A\$'000	Other currencies A\$'000
<b>Assets</b>										
Cash and cash equivalents	21	10	11	1,600	148	143	9	4	1	441
Margin accounts	-	-	-	288	-	-	-	-	-	74
Receivables	-	64	-	-	-	-	1	39	-	1
Accrued income	420	132	63	-	80	433	232	75	17	22
Due to brokers - receivable for securities sold	6	-	-	-	-	1	-	-	-	-
Financial assets at fair value through profit or loss	63,296	24,538	22,944	23,665	47,079	62,807	20,848	23,789	19,458	40,774
<b>Total assets</b>	<b>63,743</b>	<b>24,744</b>	<b>23,018</b>	<b>25,553</b>	<b>47,307</b>	<b>63,384</b>	<b>21,090</b>	<b>23,907</b>	<b>19,476</b>	<b>41,312</b>
<b>Liabilities</b>										
Due to brokers - payable for securities purchased	7	-	-	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-	18	-	-	-	-	-	-
<b>Total liabilities</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>										
- Buy foreign currency	-	-	-	-	-	-	-	-	-	237
- Sell foreign currency	-	-	-	(1,000)	-	(237)	-	-	-	(900)
<b>Net exposure including foreign currency forward contracts</b>	<b>63,736</b>	<b>24,744</b>	<b>23,018</b>	<b>24,535</b>	<b>47,307</b>	<b>63,147</b>	<b>21,090</b>	<b>23,907</b>	<b>19,476</b>	<b>40,649</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Foreign exchange risk (continued)

	Vanguard Emerging Markets Shares Index Fund									
	30 Jun 2020					30 Jun 2019				
	US Dollar A\$'000	Hong Kong Dollar A\$'000	Korean Won A\$'000	Taiwan New Dollar A\$'000	Other currencies A\$'000	US Dollar A\$'000	Hong Kong Dollar A\$'000	Korean Won A\$'000	Taiwan New Dollar A\$'000	Other currencies A\$'000
<b>Assets</b>										
Cash and cash equivalents	9,395	317	253	73	1,111	6,832	699	52	68	1,869
Margin accounts	1,836	-	-	-	-	780	-	-	-	-
Receivables	-	-	-	439	74	-	-	965	180	159
Accrued income	36	2,139	371	725	678	104	2,482	498	1,503	812
Due to brokers - receivable for securities sold	551	41	-	-	2	-	8	-	-	-
Financial assets at fair value through profit or loss	179,305	274,903	133,650	141,411	422,938	158,349	282,729	158,410	138,584	542,015
<b>Total assets</b>	<b>191,123</b>	<b>277,400</b>	<b>134,274</b>	<b>142,648</b>	<b>424,803</b>	<b>166,065</b>	<b>285,918</b>	<b>159,925</b>	<b>140,335</b>	<b>544,855</b>
<b>Liabilities</b>										
Financial liabilities at fair value through profit or loss	42	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>										
- Buy foreign currency	2,429	-	-	-	-	912	-	-	-	-
- Sell foreign currency	(5,500)	(2,429)	-	-	-	(7,000)	(912)	-	-	-
<b>Net exposure including foreign currency forward contracts</b>	<b>188,010</b>	<b>274,971</b>	<b>134,274</b>	<b>142,648</b>	<b>424,803</b>	<b>159,977</b>	<b>285,006</b>	<b>159,925</b>	<b>140,335</b>	<b>544,855</b>

	Vanguard FTSE Europe Shares ETF									
	30 Jun 2020					30 Jun 2019				
	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000
<b>Assets</b>										
Cash and cash equivalents	90	-	-	-	-	238	-	-	-	-
Due to brokers - receivable for securities sold	1,501	-	-	-	-	2,964	-	-	-	-
Financial assets at fair value through profit or loss	172,702	-	-	-	-	236,623	-	-	-	-
<b>Total assets</b>	<b>174,293</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>239,825</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>										
- Buy foreign currency	-	-	-	-	-	-	-	-	-	-
- Sell foreign currency	(1,520)	-	-	-	-	(3,064)	-	-	-	-
<b>Net exposure including foreign currency forward contracts</b>	<b>172,773</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>236,761</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Foreign exchange risk (continued)

Vanguard FTSE Emerging Markets Shares ETF										
	30 Jun 2020					30 Jun 2019				
	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000
<b>Assets</b>										
Cash and cash equivalents	115	-	-	-	-	147	-	-	-	-
Due to brokers - receivable for securities sold	1,642	-	-	-	-	1,497	-	-	-	-
Financial assets at fair value through profit or loss	344,766	-	-	-	-	315,443	-	-	-	-
<b>Total assets</b>	<b>346,523</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>317,087</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>										
- Buy foreign currency	-	-	-	-	-	-	-	-	-	-
- Sell foreign currency	(1,631)	-	-	-	-	(1,425)	-	-	-	-
<b>Net exposure including foreign currency forward contracts</b>	<b>344,892</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>315,662</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Vanguard International Property Securities Index Fund										
	30 Jun 2020					30 Jun 2019				
	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000
<b>Assets</b>										
Cash and cash equivalents	2,815	222	191	285	394	13,637	218	328	1,486	1,699
Margin accounts	1,081	328	121	24	142	846	78	214	100	72
Receivables	-	181	1,337	-	148	203	115	1,931	-	142
Accrued income	3,750	171	127	1,065	826	4,129	444	631	973	683
Due to brokers - receivable for securities sold	-	-	-	-	-	-	-	65	14	-
Financial assets at fair value through profit or loss	1,118,774	91,853	192,329	180,048	233,950	1,185,450	93,385	190,243	182,711	234,733
<b>Total assets</b>	<b>1,126,420</b>	<b>92,755</b>	<b>194,105</b>	<b>181,422</b>	<b>235,460</b>	<b>1,204,265</b>	<b>94,240</b>	<b>193,412</b>	<b>185,284</b>	<b>237,329</b>
<b>Liabilities</b>										
Due to brokers - payable for securities purchased	9,193	1,021	1,580	1,879	2,414	12,921	692	1,893	2,017	2,937
Financial liabilities at fair value through profit or loss	108	40	16	6	-	151	-	-	-	4
<b>Total liabilities</b>	<b>9,301</b>	<b>1,061</b>	<b>1,596</b>	<b>1,885</b>	<b>2,414</b>	<b>13,072</b>	<b>692</b>	<b>1,893</b>	<b>2,017</b>	<b>2,941</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>										
- Buy foreign currency	20,971	3,944	1,571	1,616	2,382	7,000	543	1,542	1,058	1,600
- Sell foreign currency	(9,513)	-	(1,971)	-	-	(4,743)	-	-	-	-
<b>Net exposure including foreign currency forward contracts</b>	<b>1,128,577</b>	<b>95,638</b>	<b>192,109</b>	<b>181,153</b>	<b>235,428</b>	<b>1,193,450</b>	<b>94,091</b>	<b>193,061</b>	<b>184,325</b>	<b>235,988</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Foreign exchange risk (continued)

	Vanguard Global Value Equity Fund									
	30 Jun 2020					30 Jun 2019				
	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000
<b>Assets</b>										
Cash and cash equivalents	18	1	22	17	41	336	3	76	16	58
Margin accounts	23	-	-	-	-	-	-	11	-	-
Receivables	-	-	11	-	3	-	-	19	-	3
Accrued income	18	-	2	3	7	13	12	2	3	4
Due to brokers - receivable for securities sold	-	-	-	-	-	242	13	27	56	-
Financial assets at fair value through profit or loss	21,084	1,603	3,775	2,794	3,642	13,856	1,436	2,794	2,006	2,480
<b>Total assets</b>	<b>21,143</b>	<b>1,604</b>	<b>3,810</b>	<b>2,814</b>	<b>3,693</b>	<b>14,447</b>	<b>1,464</b>	<b>2,929</b>	<b>2,081</b>	<b>2,545</b>
<b>Liabilities</b>										
Due to brokers - payable for securities purchased	-	-	-	-	-	344	54	9	8	57
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>344</b>	<b>54</b>	<b>9</b>	<b>8</b>	<b>57</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>										
- Buy foreign currency	-	-	-	-	-	7	54	-	-	36
- Sell foreign currency	-	-	-	-	-	-	-	(57)	(50)	(12)
<b>Net exposure including foreign currency forward contracts</b>	<b>21,143</b>	<b>1,604</b>	<b>3,810</b>	<b>2,814</b>	<b>3,693</b>	<b>14,110</b>	<b>1,464</b>	<b>2,863</b>	<b>2,023</b>	<b>2,512</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Foreign exchange risk (continued)

Vanguard Global Infrastructure Index Fund										
	30 Jun 2020					30 Jun 2019				
	US Dollar A\$'000	Canadian Dollar A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000
<b>Assets</b>										
Cash and cash equivalents	1,900	999	383	123	226	4,866	161	49	489	2,155
Margin accounts	431	187	121	31	-	262	10	13	20	133
Receivables	-	-	73	-	23	-	-	150	-	35
Accrued income	535	271	135	2	226	296	494	103	1	265
Due to brokers - receivable for securities sold	3,348	757	233	293	252	-	-	-	-	6
Financial assets at fair value through profit or loss	525,875	100,750	41,147	49,335	50,462	431,444	19,307	37,851	48,237	119,643
<b>Total assets</b>	<b>532,089</b>	<b>102,964</b>	<b>42,092</b>	<b>49,784</b>	<b>51,189</b>	<b>436,868</b>	<b>19,972</b>	<b>38,166</b>	<b>48,747</b>	<b>122,237</b>
<b>Liabilities</b>										
Due to brokers - payable for securities purchased	-	-	-	-	-	1,390	34	145	292	362
Financial liabilities at fair value through profit or loss	-	-	-	-	-	24	-	-	1	14
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,414</b>	<b>34</b>	<b>145</b>	<b>293</b>	<b>376</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>										
- Buy foreign currency	3,256	-	-	-	-	2,000	-	162	-	87
- Sell foreign currency	(6,500)	(1,066)	(489)	-	-	(962)	-	-	-	-
<b>Net exposure including foreign currency forward contracts</b>	<b>528,845</b>	<b>101,898</b>	<b>41,603</b>	<b>49,784</b>	<b>51,189</b>	<b>436,492</b>	<b>19,938</b>	<b>38,183</b>	<b>48,454</b>	<b>121,948</b>

Vanguard Global Multi-Factor Fund										
	30 Jun 2020					30 Jun 2019				
	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000
<b>Assets</b>										
Cash and cash equivalents	25	1	4	1	8	30	4	8	1	14
Margin accounts	26	-	-	-	-	-	-	6	-	-
Receivables	-	-	2	-	3	-	-	1	-	1
Accrued income	11	2	-	1	3	6	5	3	2	2
Due to brokers - receivable for securities sold	-	-	-	-	57	71	-	1	9	-
Financial assets at fair value through profit or loss	13,106	949	1,369	1,772	2,964	9,621	938	1,453	1,351	2,110
<b>Total assets</b>	<b>13,168</b>	<b>952</b>	<b>1,375</b>	<b>1,774</b>	<b>3,035</b>	<b>9,728</b>	<b>947</b>	<b>1,472</b>	<b>1,363</b>	<b>2,127</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>										
- Buy foreign currency	55	-	-	-	-	-	-	-	-	-
- Sell foreign currency	(73)	-	-	-	(55)	-	-	-	-	-
<b>Net exposure including foreign currency forward contracts</b>	<b>13,150</b>	<b>952</b>	<b>1,375</b>	<b>1,774</b>	<b>2,980</b>	<b>9,728</b>	<b>947</b>	<b>1,472</b>	<b>1,363</b>	<b>2,127</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Foreign exchange risk (continued)

Vanguard International Shares Index Fund										
	30 Jun 2020					30 Jun 2019				
	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000
<b>Assets</b>										
Cash and cash equivalents	85,680	3,663	21	10,482	10,202	41,282	2,239	1,183	10,332	4,807
Margin accounts	11,490	913	4,597	491	1,018	3,591	460	1,354	575	257
Receivables	1	17	10,694	-	15,495	55	15	18,769	-	14,594
Accrued income	8,532	1,203	1,939	1,829	1,610	8,260	4,479	1,010	2,009	1,672
Due to brokers - receivable for securities sold	20	-	-	-	-	-	-	-	4	-
Financial assets at fair value through profit or loss	12,291,337	825,811	1,869,253	1,486,666	1,826,422	10,919,047	982,931	1,856,389	1,384,483	1,766,210
<b>Total assets</b>	<b>12,397,060</b>	<b>831,607</b>	<b>1,886,504</b>	<b>1,499,468</b>	<b>1,854,747</b>	<b>10,972,235</b>	<b>990,124</b>	<b>1,878,705</b>	<b>1,397,403</b>	<b>1,787,540</b>
<b>Liabilities</b>										
Payables	1	-	1	-	1	-	-	-	-	-
Financial liabilities at fair value through profit or loss	77	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>78</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>										
- Buy foreign currency	51,386	-	-	-	-	-	-	-	-	-
- Sell foreign currency	(160,000)	(3,230)	-	(9,962)	(8,194)	(35,640)	-	-	-	-
<b>Net exposure including foreign currency forward contracts</b>	<b>12,288,368</b>	<b>828,377</b>	<b>1,886,503</b>	<b>1,489,506</b>	<b>1,846,552</b>	<b>10,936,595</b>	<b>990,124</b>	<b>1,878,705</b>	<b>1,397,403</b>	<b>1,787,540</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Foreign exchange risk (continued)

Vanguard International Small Companies Index Fund										
	30 Jun 2020					30 Jun 2019				
	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Japanese Yen A\$'000	Other currencies A\$'000
<b>Assets</b>										
Cash and cash equivalents	1,981	39	1,146	1,002	641	4,726	48	431	1,192	368
Margin accounts	721	-	382	54	48	320	-	111	44	-
Receivables	1	10	297	-	217	2	18	327	-	192
Accrued income	589	82	134	254	148	702	223	108	252	144
Due to brokers - receivable for securities sold	5,320	672	660	630	876	7,994	716	1,249	1,105	1,504
Financial assets at fair value through profit or loss	646,394	71,941	91,321	135,996	137,760	545,782	65,588	83,242	109,204	110,248
<b>Total assets</b>	<b>655,006</b>	<b>72,744</b>	<b>93,940</b>	<b>137,936</b>	<b>139,690</b>	<b>559,526</b>	<b>66,593</b>	<b>85,468</b>	<b>111,797</b>	<b>112,456</b>
<b>Liabilities</b>										
Due to brokers - payable for securities purchased	-	-	-	-	21	22	-	-	1,097	37
Financial liabilities at fair value through profit or loss	1	-	-	-	-	-	-	-	2	-
<b>Total liabilities</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>1,099</b>	<b>37</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>										
- Buy foreign currency	7,460	-	492	-	-	2,106	-	-	-	-
- Sell foreign currency	(11,992)	(679)	(2,284)	(1,616)	(881)	(11,000)	(800)	-	-	(1,307)
<b>Net exposure including foreign currency forward contracts</b>	<b>650,473</b>	<b>72,065</b>	<b>92,148</b>	<b>136,320</b>	<b>138,788</b>	<b>550,610</b>	<b>65,793</b>	<b>85,468</b>	<b>110,698</b>	<b>111,112</b>

The tables presented in note 3(b) summarise the impact of an increase/decrease of foreign exchange rates of each Funds' operating profit and net assets attributable to unitholders through changes in fair value or changes in future cash flows.

#### (iii) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

The Funds have insufficient direct exposure to interest rate risk to be material. All financial liabilities are non-interest bearing.

### (b) Summarised sensitivity analysis

The following tables summarise the sensitivity of the Funds' operating profit and net assets attributable to unitholders to price risk and foreign exchange risk. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates and foreign exchange rates as well as the indices that the individual Funds are designed to track. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the economies, markets and securities in which the Funds invest. As a result, historic variations in risk variables are not a definitive indicator of future variations in the risk variables.

Price risk movement represents the range of historical index returns from the average return minus one standard deviation to the average return plus one standard deviation. For a normal distribution approximately two-thirds of the outcomes are expected to fall within plus or minus one standard deviation of the mean. Outcomes are expected to occur outside these ranges, approximately one-third of the time.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (b) Summarised sensitivity analysis (continued)

Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard FTSE Asia ex Japan Shares Index ETF													
Price risk				Foreign exchange risk									
\$'000		Hong Kong Dollar		Taiwan New Dollar		Korean Won		US Dollar		Other currencies			
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High		
	-2%	+4%	-4%	+19%	-8%	+16%	-3%	+13%	-3%	+19%	-4%	+17%	
30 Jun 2020	(3,630)	7,260	(18)	84	(16)	33	(2)	10	(57)	359	(9)	39	
Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard Emerging Markets Shares Index Fund													
Price risk				Foreign exchange risk									
\$'000		US Dollar		Hong Kong Dollar		Korean Won		Taiwan New Dollar		Other currencies			
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High		
	-4%	+5%	-3%	+19%	-4%	+19%	-3%	+13%	-8%	+16%	-4%	+17%	
30 Jun 2020	(46,086)	57,608	(355)	2,245	(100)	474	(19)	81	(99)	198	(75)	317	
Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard FTSE Europe Shares ETF													
Price risk				Foreign exchange risk				Price risk				Foreign exchange risk	
\$'000		US Dollar		US Dollar		US Dollar		\$'000		\$'000		US Dollar	
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
	-3%	+4%	-3%	+19%	-2%	+4%	-3%	+19%	-2%	+4%	-3%	+19%	
30 Jun 2020	(5,181)	6,908	(48)	302	(6,895)	13,791	(53)	334					
Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard FTSE Emerging Markets Shares ETF													
Price risk				Foreign exchange risk				Price risk				Foreign exchange risk	
\$'000		US Dollar		US Dollar		US Dollar		\$'000		\$'000		US Dollar	
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
	-3%	+4%	-6%	+2%	-2%	+4%	-6%	+2%	-2%	+4%	-6%	+2%	
30 Jun 2019	(7,099)	9,465	(192)	64	(6,309)	12,618	(99)	33					

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (b) Summarised sensitivity analysis (continued)

Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard International Property Securities Index Fund													
Price risk		Foreign exchange risk											
\$'000	\$'000	US Dollar		British Pound		Euro		Japanese Yen		Other currencies			
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High		
		-4%	+5%	-3%	+19%	-2%	+13%	-3%	+16%	-3%	+18%	-4%	+17%
30 Jun 2020	(72,671)	90,839	46	(294)	2	(14)	(5)	29	15	(91)	36	(154)	
\$'000	\$'000	US Dollar		British Pound		Euro		Japanese Yen		Other currencies			
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High		
		-4%	+5%	-6%	+2%	-5%	+4%	-5%	+1%	-11%	+2%	-6%	+1%
30 Jun 2019	(75,454)	94,318	(354)	118	(8)	7	(64)	13	(61)	11	20	(3)	

Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard Global Value Equity Fund													
Price risk		Foreign exchange risk											
\$'000	\$'000	US Dollar		British Pound		Euro		Japanese Yen		Other currencies			
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High		
		-2%	+4%	-3%	+19%	-2%	+13%	-3%	+16%	-3%	+18%	-4%	+17%
30 Jun 2020	(660)	1,321	(2)	11	-	-	(1)	6	(1)	4	(2)	9	
\$'000	\$'000	US Dollar		British Pound		Euro		Japanese Yen		Other currencies			
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High		
		-2%	+4%	-6%	+2%	-5%	+4%	-5%	+1%	-11%	+2%	-6%	+1%
30 Jun 2019	(454)	908	(15)	5	1	(1)	(6)	1	(7)	1	(1)	-	

Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard Global Infrastructure Index Fund													
Price risk		Foreign exchange risk											
\$'000	\$'000	US Dollar		Canadian Dollar		Euro		Japanese Yen		Other currencies			
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High		
		-3%	+4%	-3%	+19%	0%	+13%	-3%	+16%	-3%	+18%	-4%	+17%
30 Jun 2020	(23,675)	31,568	(186)	1,180	-	288	(28)	151	(13)	81	(29)	124	
\$'000	\$'000	US Dollar		British Pound		Euro		Japanese Yen		Other currencies			
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High		
		-3%	+4%	-6%	+2%	-5%	+4%	-5%	+1%	-11%	+2%	-6%	+1%
30 Jun 2019	(20,257)	27,008	(242)	81	(32)	25	(8)	2	(24)	4	(134)	22	

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (b) Summarised sensitivity analysis (continued)

Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard Global Multi-Factor Fund													
Price risk				Foreign exchange risk									
		US Dollar		British Pound		Euro		Japanese Yen		Other currencies			
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
	-2%	+4%	-3%	+19%	-2%	+13%	-3%	+16%	-3%	+18%	-4%	+17%	
30 Jun 2020	(409)	818	(2)	12	-	-	-	1	-	-	(3)	12	
		US Dollar		British Pound		Euro		Japanese Yen		Other currencies			
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
	-2%	+4%	-6%	+2%	-5%	+4%	-5%	+1%	-11%	+2%	-6%	+1%	
30 Jun 2019	(317)	634	(6)	2	-	-	(1)	-	(1)	-	(1)	-	

Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard International Shares Index Fund													
Price risk				Foreign exchange risk									
		US Dollar		British Pound		Euro		Japanese Yen		Other currencies			
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
	-3%	+4%	-3%	+19%	-2%	+13%	-3%	+16%	-3%	+18%	-4%	+17%	
30 Jun 2020	(548,985)	731,980	(3,169)	20,073	(116)	754	(517)	2,760	(384)	2,304	(1,133)	4,815	
		US Dollar		British Pound		Euro		Japanese Yen		Other currencies			
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
	-3%	+4%	-6%	+2%	-5%	+4%	-5%	+1%	-11%	+2%	-6%	+1%	
30 Jun 2019	(507,504)	676,671	(3,191)	1,064	(360)	288	(1,116)	223	(1,421)	258	(1,280)	213	

Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard International Small Companies Index Fund													
Price risk				Foreign exchange risk									
		US Dollar		British Pound		Euro		Japanese Yen		Other currencies			
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
	-3%	+5%	-3%	+19%	-2%	+13%	-3%	+16%	-3%	+18%	-4%	+17%	
30 Jun 2020	(32,502)	54,170	(258)	1,636	(16)	104	(79)	419	(58)	349	(76)	325	
		US Dollar		British Pound		Euro		Japanese Yen		Other currencies			
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
	-3%	+5%	-6%	+2%	-5%	+4%	-5%	+1%	-11%	+2%	-6%	+1%	
30 Jun 2019	(27,421)	45,703	(823)	274	(50)	40	(1,111)	22	(165)	30	(130)	22	

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (c) Credit risk

The Funds are exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due.

The Funds are exposed to counterparty credit risk on derivative financial instruments, cash and cash equivalents, amounts due from brokers and other receivables. None of these assets are impaired nor past due but not impaired.

For Funds which invest in forward exchange contracts there is risk associated with unrealised profits.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. There were no significant concentrations of credit risk to counterparties at 30 June 2020 or 30 June 2019.

### (i) Derivatives

The Responsible Entity has established counterparty limits such that, at any time, exposure to derivative financial instruments equivalent to less than 5% of the value of a Fund are with any individual counterparty, and all contracts are with counterparties included in the Board's Approved Counterparties list.

The Funds also restrict their exposure to credit losses on derivative instruments they hold by entering into master netting arrangements with counterparts with whom they undertake a significant volume of transactions. Master netting arrangements do not result in an offset of balance sheet assets and liabilities unless transactions are settled on a net basis. However, the credit risk associated with favourable contracts is reduced by master netting arrangements to the extent that if an event of default occurs, all amounts with the counterparty are closed and settled on a net basis. The Funds' overall exposure to credit risk on derivative instruments subject to master netting arrangements can change substantially within a short period, as it is affected by each transaction subject to the arrangements. As at 30 June 2020, the Funds do not have outstanding netting arrangements that materially impact offsetting of financial assets and liabilities on the balance sheet. As a result, the financial assets and liabilities are presented on a gross basis.

During the year, the Funds could enter into collateral arrangements for forward foreign exchange contracts, repurchase agreements and reverse repurchase agreements to assist in enhancing returns in a risk controlled environment for the cash flow management of the Funds. Refer to note 6 for the balances in relation to these arrangements as of year end.

### (ii) Settlement of securities transactions

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered low, as delivery of securities sold is only made once the broker has made payment. Payment is made on purchase once the securities have been received by the Fund. The trade will fail if either party fails to meet its obligations.

### (iii) Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a rating of A-1 or higher short-term Standard & Poor's credit ratings (or Moody's equivalent).

In accordance with the Responsible Entity's derivatives policy, the Responsible Entity monitors the Funds' exposures on a daily basis, which the Board of Directors reviews quarterly. The derivatives policy is subject to annual review.

### (iv) Other

The Funds are not materially exposed to credit risk on other financial assets. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the financial assets.

The clearing and depository operations for the Funds' security transactions are mainly concentrated with one counterparty, namely JPM Chase Bank, N.A., Sydney Branch. JPM Chase Bank, N.A., Sydney Branch, is a member of a major securities exchange, and at 30 June 2020 had a credit rating of A-1 (30 June 2019: A-1). At 30 June 2020, substantially all cash and cash equivalents, balances due from brokers and investments are held in custody by JPM Chase Bank, N.A., Sydney Branch.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (d) Liquidity risk

Liquidity risk is the risk that the Funds may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Funds are exposed to daily cash redemptions of redeemable units. The Funds primarily hold investments that are traded in active markets and can be readily disposed. The Funds' financial instruments include investments in equity investments, fixed interest securities and derivative contracts traded over-the-counter and on an exchange. The Funds' listed securities are considered to be readily realisable as they are all listed on major stock exchanges. The Funds may use futures to gain market exposure without investing directly in the securities. This allows the Funds to maintain liquidity without being under-invested in their respective investment policies. The derivatives are not used to leverage the Funds' portfolios.

The tables below analyse the Funds' financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period. The amounts in the tables are contractual undiscounted cash flows.

Vanguard FTSE Asia ex Japan Shares Index ETF										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month	1-6 months	6-12 months	1-2 years	Total	Less than 1 month	1-6 months	6-12 months	1-2 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial liabilities at fair value through profit or loss	-	18	-	-	18	-	-	-	-	-
Distribution payable	1,499	-	-	-	1,499	1,447	-	-	-	1,447
Payables	59	-	-	-	59	54	-	-	-	54
Due to brokers - payables for securities purchased	7	-	-	-	7	-	-	-	-	-
Other liabilities	-	-	-	-	-	70	-	-	-	70
<b>Total liabilities</b>	<b>1,565</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>1,583</b>	<b>1,571</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,571</b>

Vanguard Emerging Markets Shares Index Fund										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month	1-6 months	6-12 months	1-2 years	Total	Less than 1 month	1-6 months	6-12 months	1-2 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial liabilities at fair value through profit or loss	-	42	-	-	42	-	-	-	-	-
Distribution payable	18,194	-	-	-	18,194	19,719	-	-	-	19,719
Payables	4,453	-	-	-	4,453	7,684	-	-	-	7,684
Other liabilities	-	-	-	-	-	645	-	-	-	645
<b>Total liabilities</b>	<b>22,647</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>22,689</b>	<b>28,048</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,048</b>

Vanguard FTSE Europe Shares ETF										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month	1-6 months	6-12 months	1-2 years	Total	Less than 1 month	1-6 months	6-12 months	1-2 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Distribution payable	1,841	-	-	-	1,841	3,596	-	-	-	3,596
Payables	39	-	-	-	39	53	-	-	-	53
<b>Total liabilities</b>	<b>1,880</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,880</b>	<b>3,649</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,649</b>

Vanguard FTSE Emerging Markets Shares ETF										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month	1-6 months	6-12 months	1-2 years	Total	Less than 1 month	1-6 months	6-12 months	1-2 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Distribution payable	2,058	-	-	-	2,058	1,737	-	-	-	1,737
Payables	107	-	-	-	107	101	-	-	-	101
<b>Total liabilities</b>	<b>2,165</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,165</b>	<b>1,838</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,838</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (d) Liquidity risk (continued)

Vanguard International Property Securities Index Fund										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month	1-6 months	6-12 months	1-2 years	Total	Less than 1 month	1-6 months	6-12 months	1-2 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial liabilities at fair value through profit or loss	16	154	-	-	170	4	155	-	-	159
Distribution payable	18,446	-	-	-	18,446	16,558	-	-	-	16,558
Payables	812	-	-	-	812	962	-	-	-	962
Due to brokers - payables for securities purchased	16,087	-	-	-	16,087	20,460	-	-	-	20,460
<b>Total liabilities</b>	<b>35,361</b>	<b>154</b>	<b>-</b>	<b>-</b>	<b>35,515</b>	<b>37,984</b>	<b>155</b>	<b>-</b>	<b>-</b>	<b>38,139</b>

Vanguard Global Value Equity Fund										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month	1-6 months	6-12 months	1-2 years	Total	Less than 1 month	1-6 months	6-12 months	1-2 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Distribution payable	169	-	-	-	169	426	-	-	-	426
Payables	102	-	-	-	102	6	-	-	-	6
Due to brokers - payables for securities purchased	-	-	-	-	-	476	-	-	-	476
Net assets attributable to unitholders	33,171	-	-	-	33,171	22,733	-	-	-	22,733
<b>Total liabilities</b>	<b>33,442</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,442</b>	<b>23,641</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,641</b>

Vanguard Global Infrastructure Index Fund										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month	1-6 months	6-12 months	1-2 years	Total	Less than 1 month	1-6 months	6-12 months	1-2 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial liabilities at fair value through profit or loss	8	-	-	-	8	4	40	-	-	44
Distribution payable	30,906	-	-	-	30,906	10,490	-	-	-	10,490
Payables	979	-	-	-	979	410	-	-	-	410
Due to brokers - payables for securities purchased	-	-	-	-	-	2,299	-	-	-	2,299
Net assets attributable to unitholders	775,657	-	-	-	775,657	678,396	-	-	-	678,396
<b>Total liabilities</b>	<b>807,550</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>807,550</b>	<b>691,599</b>	<b>40</b>	<b>-</b>	<b>-</b>	<b>691,639</b>

Vanguard Global Multi-Factor Fund										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month	1-6 months	6-12 months	1-2 years	Total	Less than 1 month	1-6 months	6-12 months	1-2 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Distribution payable	110	-	-	-	110	93	-	-	-	93
Payables	5	-	-	-	5	5	-	-	-	5
Net assets attributable to unitholders	20,464	-	-	-	20,464	15,911	-	-	-	15,911
<b>Total liabilities</b>	<b>20,579</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,579</b>	<b>16,009</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,009</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (d) Liquidity risk (continued)

Vanguard International Shares Index Fund										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000
Financial liabilities at fair value through profit or loss	214	-	-	-	214	-	-	-	-	-
Distribution payable	587,529	-	-	-	587,529	362,699	-	-	-	362,699
Payables	103,837	-	-	-	103,837	34,010	-	-	-	34,010
Net assets attributable to unitholders	17,894,445	-	-	-	17,894,445	16,701,880	-	-	-	16,701,880
<b>Total liabilities</b>	<b>18,586,025</b>	-	-	-	<b>18,586,025</b>	<b>17,098,589</b>	-	-	-	<b>17,098,589</b>

Vanguard International Small Companies Index Fund										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000
Financial liabilities at fair value through profit or loss	10	-	-	-	10	-	3	-	-	3
Distribution payable	18,523	-	-	-	18,523	27,350	-	-	-	27,350
Payables	11,725	-	-	-	11,725	10,576	-	-	-	10,576
Due to brokers - payables for securities purchased	21	-	-	-	21	1,156	-	-	-	1,156
Net assets attributable to unitholders	1,073,467	-	-	-	1,073,467	897,335	-	-	-	897,335
<b>Total liabilities</b>	<b>1,103,746</b>	-	-	-	<b>1,103,746</b>	<b>936,417</b>	<b>3</b>	-	-	<b>936,420</b>

### Maturities of gross-settled derivative financial instruments

The tables below analyse the Funds' gross-settled derivative financial instruments based on their contractual maturity. The Funds may at their discretion, settle financial instruments prior to their original contractual settlement date, in accordance with its investment strategy, where permitted by the terms and conditions of the relevant instruments.

Vanguard FTSE Asia ex Japan Shares Index ETF										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000
Derivative										
Inflows	1,000	-	-	-	1,000	1,137	-	-	-	1,137
(Outflows)	(1,000)	-	-	-	(1,000)	(1,137)	-	-	-	(1,137)
<b>Net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Vanguard Emerging Markets Shares Index Fund										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000
Derivative										
Inflows	7,929	-	-	-	7,929	7,912	-	-	-	7,912
(Outflows)	(7,929)	-	-	-	(7,929)	(7,912)	-	-	-	(7,912)
<b>Net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (d) Liquidity risk (continued)

#### Maturities of gross-settled derivative financial instruments (continued)

	Vanguard FTSE Europe Shares ETF									
	30 Jun 2020					30 Jun 2019				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000
Derivative										
Inflows	1,520	-	-	-	1,520	3,064	-	-	-	3,064
(Outflows)	(1,520)	-	-	-	(1,520)	(3,064)	-	-	-	(3,064)
<b>Net</b>	-	-	-	-	-	-	-	-	-	-

	Vanguard FTSE Emerging Markets Shares ETF									
	30 Jun 2020					30 Jun 2019				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000
Derivative										
Inflows	1,631	-	-	-	1,631	1,425	-	-	-	1,425
(Outflows)	(1,631)	-	-	-	(1,631)	(1,425)	-	-	-	(1,425)
<b>Net</b>	-	-	-	-	-	-	-	-	-	-

	Vanguard International Property Securities Index Fund									
	30 Jun 2020					30 Jun 2019				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000
Derivative										
Inflows	30,459	-	-	-	30,459	11,738	-	-	-	11,738
(Outflows)	(30,462)	-	-	-	(30,462)	(11,739)	-	-	-	(11,739)
<b>Net</b>	(3)	-	-	-	(3)	(1)	-	-	-	(1)

	Vanguard Global Value Equity Fund									
	30 Jun 2020					30 Jun 2019				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000
Derivative										
Inflows	-	-	-	-	-	216	-	-	-	216
(Outflows)	-	-	-	-	-	(216)	-	-	-	(216)
<b>Net</b>	-	-	-	-	-	-	-	-	-	-

	Vanguard Global Infrastructure Index Fund									
	30 Jun 2020					30 Jun 2019				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000
Derivative										
Inflows	9,748	-	-	-	9,748	2,958	-	-	-	2,958
(Outflows)	(9,756)	-	-	-	(9,756)	(2,962)	-	-	-	(2,962)
<b>Net</b>	(8)	-	-	-	(8)	(4)	-	-	-	(4)

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 3 Financial risk management (continued)

### (d) Liquidity risk (continued)

#### Maturities of gross-settled derivative financial instruments (continued)

Vanguard Global Multi-Factor Fund										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000
Derivative										
Inflows	128	-	-	-	128	-	-	-	-	-
(Outflows)	(128)	-	-	-	(128)	-	-	-	-	-
<b>Net</b>	-	-	-	-	-	-	-	-	-	-

Vanguard International Shares Index Fund										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000
Derivative										
Inflows	211,249	-	-	-	211,249	35,640	-	-	-	35,640
(Outflows)	(211,462)	-	-	-	(211,462)	(35,624)	-	-	-	(35,624)
<b>Net</b>	(213)	-	-	-	(213)	16	-	-	-	16

Vanguard International Small Companies Index Fund										
	30 Jun 2020					30 Jun 2019				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-2 years \$'000	Total \$'000
Derivative										
Inflows	19,440	-	-	-	19,440	13,106	-	-	-	13,106
(Outflows)	(19,450)	-	-	-	(19,450)	(13,107)	-	-	-	(13,107)
<b>Net</b>	(10)	-	-	-	(10)	(1)	-	-	-	(1)

## 4 Fair value measurement

The Funds measure and recognise the following assets and liabilities at fair value on a recurring basis:

- Financial assets / liabilities at fair value through profit or loss (FVPL) (see note 6 and 7)
- Derivative financial instruments (see note 8)

The Funds have no assets or liabilities at fair value on a non-recurring basis in the current reporting period.

AASB 13 requires disclosure of fair value measurements by level of the following fair value hierarchy;

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 4 Fair value measurement (continued)

### (i) Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Funds value their investments in accordance with the accounting policies set out in note 2(b) to the financial statements. For the majority of investments, the Funds rely on information provided by independent pricing services for the valuation of investments.

The quoted market price used for financial assets held by the Funds is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price. When the Funds hold derivatives with offsetting market risks, they use mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

### (ii) Fair value in an inactive or unquoted market (level 2 and level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions. The carrying amounts of the Funds' assets and liabilities at the balance sheet date approximate their fair values.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Funds would receive or pay to terminate the contract at the balance sheet date taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date. The fair value of an option contract is determined by applying the Black-Scholes option valuation model.

Investments in other unlisted unit trusts are recorded at the redemption value per unit as reported by the investment managers of such funds.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Funds hold. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Fund for similar financial instruments.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 4 Fair value measurement (continued)

### Recognised fair value measurements

The following tables present the Funds' financial assets and liabilities (by asset class) measured at fair value according to the fair value hierarchy at 30 June 2020 and 30 June 2019.

	Vanguard FTSE Asia ex Japan Shares Index ETF							
	30 Jun 2020				30 Jun 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	-	1	-	1	-	1	-	1
Equity securities	179,545	205	-	179,750	165,484	-	-	165,484
Listed unit trusts	1,771	-	-	1,771	2,191	-	-	2,191
<b>Total</b>	<b>181,316</b>	<b>206</b>	<b>-</b>	<b>181,522</b>	<b>167,675</b>	<b>1</b>	<b>-</b>	<b>167,676</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives	18	-	-	18	-	-	-	-
<b>Total</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Vanguard Emerging Markets Shares Index Fund							
	30 Jun 2020				30 Jun 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	-	5	-	5	10	4	-	14
Equity securities	1,144,436	62	-	1,144,498	1,264,664	669	-	1,265,333
Listed unit trusts	7,704	-	-	7,704	14,740	-	-	14,740
<b>Total</b>	<b>1,152,140</b>	<b>67</b>	<b>-</b>	<b>1,152,207</b>	<b>1,279,414</b>	<b>673</b>	<b>-</b>	<b>1,280,087</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives	42	-	-	42	-	-	-	-
<b>Total</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Vanguard FTSE Europe Shares ETF							
	30 Jun 2020				30 Jun 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Listed unit trusts	172,702	-	-	172,702	236,623	-	-	236,623
<b>Total</b>	<b>172,702</b>	<b>-</b>	<b>-</b>	<b>172,702</b>	<b>236,623</b>	<b>-</b>	<b>-</b>	<b>236,623</b>

	Vanguard FTSE Emerging Markets Shares ETF							
	30 Jun 2020				30 Jun 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Listed unit trusts	344,766	-	-	344,766	315,443	-	-	315,443
<b>Total</b>	<b>344,766</b>	<b>-</b>	<b>-</b>	<b>344,766</b>	<b>315,443</b>	<b>-</b>	<b>-</b>	<b>315,443</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 4 Fair value measurement (continued)

### Recognised fair value measurements (continued)

	Vanguard International Property Securities Index Fund							
	30 Jun 2020				30 Jun 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	36	13	-	49	8	3	-	11
Equity securities	261,857	-	-	261,857	243,126	-	-	243,126
Listed unit trusts	1,555,048	-	-	1,555,048	1,643,385	-	-	1,643,385
<b>Total</b>	<b>1,816,941</b>	<b>13</b>	<b>-</b>	<b>1,816,954</b>	<b>1,886,519</b>	<b>3</b>	<b>-</b>	<b>1,886,522</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives	154	16	-	170	155	4	-	159
<b>Total</b>	<b>154</b>	<b>16</b>	<b>-</b>	<b>170</b>	<b>155</b>	<b>4</b>	<b>-</b>	<b>159</b>

	Vanguard Global Value Equity Fund							
	30 Jun 2020				30 Jun 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	2	-	-	2	3	-	-	3
Equity securities	32,546	-	-	32,546	22,518	-	-	22,518
Listed unit trusts	467	-	-	467	185	-	-	185
<b>Total</b>	<b>33,015</b>	<b>-</b>	<b>-</b>	<b>33,015</b>	<b>22,706</b>	<b>-</b>	<b>-</b>	<b>22,706</b>

	Vanguard Global Infrastructure Index Fund							
	30 Jun 2020				30 Jun 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	47	-	-	47	22	-	-	22
Equity securities	683,429	44	-	683,473	604,385	-	-	604,385
Listed unit trusts	105,677	-	-	105,677	70,856	-	-	70,856
<b>Total</b>	<b>789,153</b>	<b>44</b>	<b>-</b>	<b>789,197</b>	<b>675,263</b>	<b>-</b>	<b>-</b>	<b>675,263</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives	-	8	-	8	40	4	-	44
<b>Total</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>8</b>	<b>40</b>	<b>4</b>	<b>-</b>	<b>44</b>

	Vanguard Global Multi-Factor Fund							
	30 Jun 2020				30 Jun 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	-	-	-	-	2	-	-	2
Equity securities	20,364	-	-	20,364	15,637	-	-	15,637
Listed unit trusts	78	-	-	78	194	-	-	194
<b>Total</b>	<b>20,442</b>	<b>-</b>	<b>-</b>	<b>20,442</b>	<b>15,833</b>	<b>-</b>	<b>-</b>	<b>15,833</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 4 Fair value measurement (continued)

### Recognised fair value measurements (continued)

	Vanguard International Shares Index Fund							
	30 Jun 2020				30 Jun 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	155	1	-	156	134	16	-	150
Equity securities	17,873,389	2	-	17,873,391	16,500,400	2	-	16,500,402
Listed unit trusts	425,943	-	-	425,943	416,252	-	-	416,252
<b>Total</b>	<b>18,299,487</b>	<b>3</b>	<b>-</b>	<b>18,299,490</b>	<b>16,916,786</b>	<b>18</b>	<b>-</b>	<b>16,916,804</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives	-	214	-	214	-	-	-	-
<b>Total</b>	<b>-</b>	<b>214</b>	<b>-</b>	<b>214</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Vanguard International Small Companies Index Fund							
	30 Jun 2020				30 Jun 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	57	8	-	65	49	4	-	53
Equity securities	989,315	193	-	989,508	825,143	170	-	825,313
Listed unit trusts	93,813	26	-	93,839	88,698	-	-	88,698
<b>Total</b>	<b>1,083,185</b>	<b>227</b>	<b>-</b>	<b>1,083,412</b>	<b>913,890</b>	<b>174</b>	<b>-</b>	<b>914,064</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives	-	10	-	10	3	-	-	3
<b>Total</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>10</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>3</b>

The Funds' policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

### Transfers between levels

The following table presents the transfers between levels during the year ended 30 June 2020 and 30 June 2019:

	Vanguard FTSE Asia ex Japan Shares Index ETF			Vanguard Emerging Markets Shares Index Fund		
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>30 Jun 2020</b>						
Transfers between level 1 and 2:						
Equity securities	(192)	192	-	-	-	-
Transfers between level 2 and 1:						
Equity securities	-	-	-	-	-	-
<b>30 Jun 2019</b>						
Transfers between level 1 and 2:						
Equity securities	-	-	-	(61)	61	-
Transfers between level 2 and 1:						
Equity securities	-	-	-	16	(16)	-

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 4 Fair value measurement (continued)

### Transfers between levels (continued)

30 Jun 2020	Vanguard Global Infrastructure Index Fund			Vanguard International Small Companies Index Fund		
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Transfers between level 1 and 2:						
Equity securities	(44)	44	-	(18)	18	-
30 Jun 2019						
Transfers between level 1 and 2:						
Equity securities	-	-	-	-	-	-

The equity securities transferred into level 2 relates to the frequency of quoted price valuations. There were no transfers into and out of level 3 during the reporting period.

## 5 Net gains/(losses) on financial instruments at fair value through profit or loss

Net gains/(losses) recognised in relation to financial assets and financial liabilities at fair value through profit or loss:

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Emerging Markets Shares Index Fund		Vanguard FTSE Europe Shares ETF		Vanguard FTSE Emerging Markets Shares ETF	
	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
Net unrealised gain/(loss) on financial instruments at fair value through profit or loss	(377)	3,754	(111,832)	41,226	(18,279)	7,102	(20,662)	17,470
Net realised gain/(loss) on financial instruments at fair value through profit or loss	1,734	12	55,109	6,092	(3,020)	332	1,141	268
<b>Total net gains/(losses) on financial instruments at fair value through profit or loss</b>	<b>1,357</b>	<b>3,766</b>	<b>(56,723)</b>	<b>47,318</b>	<b>(21,299)</b>	<b>7,434</b>	<b>(19,521)</b>	<b>17,738</b>

	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund			
	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000		
Net unrealised gain/(loss) on financial instruments at fair value through profit or loss			(373,692)	98,048	(5,199)	(2,101)	(78,278)	79,349
Net realised gain/(loss) on financial instruments at fair value through profit or loss			29,443	62,676	(2,156)	494	34,995	7,434
<b>Total net gains/(losses) on financial instruments at fair value through profit or loss</b>			<b>(344,249)</b>	<b>160,724</b>	<b>(7,355)</b>	<b>(1,607)</b>	<b>(43,283)</b>	<b>86,783</b>

	Vanguard Global Multi-Factor Fund		Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
Net unrealised gain/(loss) on financial instruments at fair value through profit or loss	(477)	101	(112,238)	1,176,321	(94,744)	(22,299)
Net realised gain/(loss) on financial instruments at fair value through profit or loss	(2,181)	2	592,999	330,194	40,367	34,447
<b>Total net gains/(losses) on financial instruments at fair value through profit or loss</b>	<b>(2,658)</b>	<b>103</b>	<b>480,761</b>	<b>1,506,515</b>	<b>(54,377)</b>	<b>12,148</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 6 Financial assets at fair value through profit or loss

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Emerging Markets Shares Index Fund		Vanguard FTSE Europe Shares ETF		Vanguard FTSE Emerging Markets Shares ETF	
	30 Jun 2020 Fair value \$'000	30 Jun 2019 Fair value \$'000	30 Jun 2020 Fair value \$'000	30 Jun 2019 Fair value \$'000	30 Jun 2020 Fair value \$'000	30 Jun 2019 Fair value \$'000	30 Jun 2020 Fair value \$'000	30 Jun 2019 Fair value \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	1	1	5	14	-	-	-	-
Equity securities	179,750	165,484	1,144,498	1,265,333	-	-	-	-
Listed unit trusts	1,771	2,191	7,704	14,740	172,702	236,623	344,766	315,443
<b>Total financial assets at fair value through profit or loss</b>	<b>181,522</b>	<b>167,676</b>	<b>1,152,207</b>	<b>1,280,087</b>	<b>172,702</b>	<b>236,623</b>	<b>344,766</b>	<b>315,443</b>
<b>Comprising:</b>								
<b>Derivatives</b>								
International share price futures	-	-	-	10	-	-	-	-
International exchange traded options	1	1	5	4	-	-	-	-
Total derivatives	1	1	5	14	-	-	-	-
<b>Equity securities</b>								
International equity securities	179,750	165,484	1,144,498	1,265,333	-	-	-	-
Total equity securities	179,750	165,484	1,144,498	1,265,333	-	-	-	-
<b>Listed units trusts</b>								
International listed trusts	1,771	2,191	7,704	14,740	172,702	236,623	344,766	315,443
Total listed unit trusts	1,771	2,191	7,704	14,740	172,702	236,623	344,766	315,443
<b>Total financial assets at fair value through profit or loss</b>	<b>181,522</b>	<b>167,676</b>	<b>1,152,207</b>	<b>1,280,087</b>	<b>172,702</b>	<b>236,623</b>	<b>344,766</b>	<b>315,443</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 6 Financial assets at fair value through profit or loss (continued)

	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000
<b>Financial assets at fair value through profit or loss</b>						
Derivatives	49	11	2	3	47	22
Equity securities	261,857	243,126	32,546	22,518	683,473	604,385
Listed unit trusts	1,555,048	1,643,385	467	185	105,677	70,856
<b>Total financial assets at fair value through profit or loss</b>	<b>1,816,954</b>	<b>1,886,522</b>	<b>33,015</b>	<b>22,706</b>	<b>789,197</b>	<b>675,263</b>
<b>Comprising:</b>						
<b>Derivatives</b>						
Foreign currency forward contracts	13	3	-	-	-	-
International share price futures	36	8	2	3	47	22
Total derivatives	49	11	2	3	47	22
<b>Equity securities</b>						
Australian equity securities	-	-	108	121	3,955	3,730
International equity securities	261,857	243,126	32,438	22,397	679,518	600,655
Total equity securities	261,857	243,126	32,546	22,518	683,473	604,385
<b>Listed units trusts</b>						
Australian listed trusts	-	-	9	14	17,673	15,052
International listed trusts	1,555,048	1,643,385	458	171	88,004	55,804
Total listed unit trusts	1,555,048	1,643,385	467	185	105,677	70,856
<b>Total financial assets at fair value through profit or loss</b>	<b>1,816,954</b>	<b>1,886,522</b>	<b>33,015</b>	<b>22,706</b>	<b>789,197</b>	<b>675,263</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 6 Financial assets at fair value through profit or loss (continued)

	Vanguard Global Multi-Factor Fund		Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000
<b>Financial assets at fair value through profit or loss</b>						
Derivatives	-	2	156	150	65	53
Equity securities	20,364	15,637	17,873,391	16,500,402	989,508	825,313
Listed unit trusts	78	194	425,943	416,252	93,839	88,698
<b>Total financial assets at fair value through profit or loss</b>	<b>20,442</b>	<b>15,833</b>	<b>18,299,490</b>	<b>16,916,804</b>	<b>1,083,412</b>	<b>914,064</b>
<b>Comprising:</b>						
<b>Derivatives</b>						
Foreign currency forward contracts	-	-	1	16	-	-
International share price futures	-	2	155	134	57	49
International exchange traded options	-	-	-	-	8	4
<b>Total derivatives</b>	<b>-</b>	<b>2</b>	<b>156</b>	<b>150</b>	<b>65</b>	<b>53</b>
<b>Equity securities</b>						
Australian equity securities	276	281	-	7,728	-	-
International equity securities	20,088	15,356	17,873,391	16,492,674	989,508	825,313
<b>Total equity securities</b>	<b>20,364</b>	<b>15,637</b>	<b>17,873,391</b>	<b>16,500,402</b>	<b>989,508</b>	<b>825,313</b>
<b>Listed units trusts</b>						
Australian listed trusts	7	79	-	-	-	-
International listed trusts	71	115	425,943	416,252	93,839	88,698
<b>Total listed unit trusts</b>	<b>78</b>	<b>194</b>	<b>425,943</b>	<b>416,252</b>	<b>93,839</b>	<b>88,698</b>
<b>Total financial assets at fair value through profit or loss</b>	<b>20,442</b>	<b>15,833</b>	<b>18,299,490</b>	<b>16,916,804</b>	<b>1,083,412</b>	<b>914,064</b>

An overview of the risk exposures relating to financial assets at fair value through profit or loss is included in note 3.

## 7 Financial liabilities at fair value through profit or loss

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Emerging Markets Shares Index Fund		Vanguard International Property Securities Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000
<b>Financial liabilities at fair value through profit or loss</b>						
Derivatives	18	-	42	-	170	159
<b>Total financial liabilities at fair value through profit or loss</b>	<b>18</b>	<b>-</b>	<b>42</b>	<b>-</b>	<b>170</b>	<b>159</b>
<b>Comprising:</b>						
<b>Derivatives</b>						
Foreign currency forward contracts	-	-	-	-	16	4
International share price futures	18	-	42	-	154	155
<b>Total derivatives</b>	<b>18</b>	<b>-</b>	<b>42</b>	<b>-</b>	<b>170</b>	<b>159</b>
<b>Total financial liabilities at fair value through profit or loss</b>	<b>18</b>	<b>-</b>	<b>42</b>	<b>-</b>	<b>170</b>	<b>159</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 7 Financial liabilities at fair value through profit or loss (continued)

	Vanguard Global Infrastructure Index Fund		Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000
<b>Financial liabilities at fair value through profit or loss</b>						
Derivatives	8	44	214	-	10	3
<b>Total financial liabilities at fair value through profit or loss</b>	<b>8</b>	<b>44</b>	<b>214</b>	<b>-</b>	<b>10</b>	<b>3</b>
<b>Comprising:</b>						
<b>Derivatives</b>						
Foreign currency forward contracts	8	4	214	-	10	-
Australian share price futures	-	1	-	-	-	-
International share price futures	-	39	-	-	-	3
Total derivatives	8	44	214	-	10	3
<b>Total financial liabilities at fair value through profit or loss</b>	<b>8</b>	<b>44</b>	<b>214</b>	<b>-</b>	<b>10</b>	<b>3</b>

An overview of the risk exposures relating to financial liabilities at fair value through profit or loss is included in note 3.

## 8 Derivative financial instruments

In the normal course of business the Funds enter into transactions in various derivative financial instruments with certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivative transactions include a wide assortment of instruments, such as forwards, futures and options. Derivatives are considered to be part of the investment process. The use of derivatives is an essential part of the Funds' portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of a Fund against a fluctuation in market values or to reduce volatility
- a substitution for trading of physical securities
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

While derivatives are used for trading purposes, they are not used to gear (leverage) a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the Funds.

The Funds hold the following derivative instruments:

### Forward currency contracts

Forward currency contracts are primarily used by the Funds to manage against foreign currency risks on their investments. The Funds agree to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. Forward currency contracts are valued at the prevailing bid price at the end of each reporting period. The Funds recognise a gain or loss equal to the change in fair value at the end of each reporting period.

### Futures

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in futures contracts' values are usually settled net daily with the exchange. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest rates at a future date at a specified price, established in an organised financial market.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 8 Derivative financial instruments (continued)

### Options

An option is a contractual arrangement under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of securities or a financial instrument at a predetermined price. The seller receives a premium from the purchaser in consideration for the assumption of future securities price risk. The Funds are exposed to credit risk on purchased options to the extent of their carrying amount, which is their fair value.

The Funds' derivative financial instruments at year end are detailed below:

	Vanguard FTSE Asia ex Japan Shares Index ETF					
	2020			2019		
	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000
Forward currency contracts	1,000	-	-	1,137	-	-
International share price index futures	1,575	-	18	-	-	-
International exchange traded options	-	1	-	-	1	-
<b>Total</b>	<b>2,575</b>	<b>1</b>	<b>18</b>	<b>1,137</b>	<b>1</b>	<b>-</b>

	Vanguard Emerging Markets Shares Index Fund					
	2020			2019		
	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000
Forward currency contracts	7,929	-	-	7,912	-	-
International share price index futures	9,735	-	42	3,978	10	-
International exchange traded options	-	5	-	-	4	-
<b>Total</b>	<b>17,664</b>	<b>5</b>	<b>42</b>	<b>11,890</b>	<b>14</b>	<b>-</b>

	Vanguard FTSE Europe Shares ETF					
	2020			2019		
	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000
Forward currency contracts	1,520	-	-	3,064	-	-
<b>Total</b>	<b>1,520</b>	<b>-</b>	<b>-</b>	<b>3,064</b>	<b>-</b>	<b>-</b>

	Vanguard FTSE Emerging Markets Shares ETF					
	2020			2019		
	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000
Forward currency contracts	1,631	-	-	1,425	-	-
<b>Total</b>	<b>1,631</b>	<b>-</b>	<b>-</b>	<b>1,425</b>	<b>-</b>	<b>-</b>

	Vanguard International Property Securities Index Fund					
	2020			2019		
	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000
Forward currency contracts	30,459	13	16	11,738	3	4
International share price index futures	14,327	36	154	10,770	8	155
<b>Total</b>	<b>44,786</b>	<b>49</b>	<b>170</b>	<b>22,508</b>	<b>11</b>	<b>159</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 8 Derivative financial instruments (continued)

	Vanguard Global Value Equity Fund					
	2020			2019		
	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000
Forward currency contracts	-	-	-	216	-	-
International share price index futures	112	2	-	112	3	-
<b>Total</b>	<b>112</b>	<b>2</b>	<b>-</b>	<b>328</b>	<b>3</b>	<b>-</b>

	Vanguard Global Infrastructure Index Fund					
	2020			2019		
	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000
Forward currency contracts	9,748	-	8	2,958	-	4
Australian share price index futures	-	-	-	328	-	1
International share price index futures	4,999	47	-	7,551	22	39
<b>Total</b>	<b>14,747</b>	<b>47</b>	<b>8</b>	<b>10,837</b>	<b>22</b>	<b>44</b>

	Vanguard Global Multi-Factor Fund					
	2020			2019		
	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000
Forward currency contracts	128	-	-	-	-	-
International share price index futures	-	-	-	56	2	-
<b>Total</b>	<b>128</b>	<b>-</b>	<b>-</b>	<b>56</b>	<b>2</b>	<b>-</b>

	Vanguard International Shares Index Fund					
	2020			2019		
	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000
Forward currency contracts	211,249	1	214	35,640	16	-
International share price index futures	15,462	155	-	27,108	134	-
<b>Total</b>	<b>226,711</b>	<b>156</b>	<b>214</b>	<b>62,748</b>	<b>150</b>	<b>-</b>

	Vanguard International Small Companies Index Fund					
	2020			2019		
	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000	Contract/ Notional \$'000	Fair value Assets \$'000	Liabilities \$'000
Forward currency contracts	19,440	-	10	13,106	-	-
International share price index futures	6,415	57	-	8,073	49	2
International exchange traded options	-	8	-	-	4	-
<b>Total</b>	<b>25,855</b>	<b>65</b>	<b>10</b>	<b>21,179</b>	<b>53</b>	<b>2</b>

### Risk exposures and fair value measurements

Information about the Funds' exposure to credit risk and foreign exchange risk and about the methods and assumptions used in determining fair values is provided in note 3 to the financial statements. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of derivative financial instruments disclosed above.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 9 Net assets attributable to unitholders

Under AASB 132 *Financial instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Funds shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions. Otherwise the financial instrument should be disclosed as a liability.

On 1 July 2019, Vanguard Global Value Equity Fund made the election into the AMIT tax regime.

For the Vanguard Global Value Equity Fund, the net assets attributable to unitholders remain disclosed as a liability as its multi-class structure means it has not met the strict criteria for recognition as equity, despite its election into the AMIT tax regime also.

Movement in number of units and net assets attributable to unitholders during the year were as follows:

	Vanguard FTSE Asia ex Japan Shares Index ETF				Vanguard Emerging Markets Shares Index Fund			
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	2,550	1,494	167,630	95,816	589,413	479,435	1,270,564	1,005,897
Applications	440	1,050	29,766	67,518	161,838	170,742	345,274	359,070
Redemptions	(225)	-	(15,120)	-	(200,312)	(71,371)	(424,648)	(149,654)
Units issued upon reinvestment of distributions	11	6	721	386	21,602	10,607	45,655	22,305
Distributions paid and payable	-	-	(4,931)	(2,932)	-	-	(60,926)	(39,692)
Profit/(loss) for the year	-	-	4,876	6,842	-	-	(26,733)	72,638
<b>Closing balance as at 30 June</b>	<b>2,776</b>	<b>2,550</b>	<b>182,942</b>	<b>167,630</b>	<b>572,541</b>	<b>589,413</b>	<b>1,149,186</b>	<b>1,270,564</b>

	Vanguard FTSE Europe Shares ETF				Vanguard FTSE Emerging Markets Shares ETF			
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	4,210	3,511	236,287	191,578	4,665	3,197	315,501	204,056
Applications	405	695	23,762	37,359	875	1,460	60,100	93,835
Redemptions	(1,310)	-	(65,372)	-	(160)	-	(10,571)	-
Units issued upon reinvestment of distributions	5	4	269	211	15	8	1,038	486
Distributions paid and payable	-	-	(5,257)	(6,162)	-	-	(9,874)	(5,525)
Profit/(loss) for the year	-	-	(17,247)	13,301	-	-	(11,639)	22,649
<b>Closing balance as at 30 June</b>	<b>3,310</b>	<b>4,210</b>	<b>172,442</b>	<b>236,287</b>	<b>5,395</b>	<b>4,665</b>	<b>344,555</b>	<b>315,501</b>

	Vanguard International Property Securities Index Fund			
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	1,619,078	1,520,147	1,887,309	1,641,251
Applications	635,418	598,069	722,614	660,842
Redemptions	(420,158)	(612,145)	(470,815)	(670,059)
Units issued upon reinvestment of distributions	62,635	113,007	68,901	122,991
Distributions paid and payable	-	-	(98,858)	(87,406)
Profit/(loss) for the year	-	-	(289,746)	219,690
<b>Closing balance as at 30 June</b>	<b>1,896,973</b>	<b>1,619,078</b>	<b>1,819,405</b>	<b>1,887,309</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 9 Net assets attributable to unitholders (continued)

	Vanguard Global Value Equity Fund							
	Wholesale Class				ETF Class			
	30 Jun 2020 No. '000	30 Jun 2019 No. '000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 No. '000	30 Jun 2019 No. '000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
Balance as at 1 July	7,600	17,544	8,356	20,397	301	120	14,377	5,990
Applications	3,550	7,206	3,797	8,297	380	180	17,160	8,929
Redemptions	(3,395)	(18,380)	(3,187)	(20,558)	-	-	-	-
Units issued upon reinvestment of distributions	207	1,230	207	1,424	1	1	56	36
Increase/(decrease) in net assets attributable to unitholders	-	-	(2,229)	(1,204)	-	-	(5,366)	(578)
<b>Closing balance as at 30 June</b>	<b>7,962</b>	<b>7,600</b>	<b>6,944</b>	<b>8,356</b>	<b>682</b>	<b>301</b>	<b>26,227</b>	<b>14,377</b>

	Vanguard Global Infrastructure Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2020 No. '000	30 Jun 2019 No. '000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 No. '000	30 Jun 2019 No. '000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
Balance as at 1 July	508,064	289,932	661,592	322,101	295	-	16,804	-
Applications	343,377	324,721	453,550	390,516	1,465	295	87,538	16,211
Redemptions	(279,095)	(118,235)	(370,801)	(141,128)	(80)	-	(4,625)	-
Units issued upon reinvestment of distributions	20,938	11,646	27,079	13,366	2	-	104	2
Increase/(decrease) in net assets attributable to unitholders	-	-	(86,300)	76,737	-	-	(9,284)	591
<b>Closing balance as at 30 June</b>	<b>593,284</b>	<b>508,064</b>	<b>685,120</b>	<b>661,592</b>	<b>1,682</b>	<b>295</b>	<b>90,537</b>	<b>16,804</b>

	Vanguard Global Multi-Factor Fund							
	Wholesale Class				ETF Class			
	30 Jun 2020 No. '000	30 Jun 2019 No. '000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 No. '000	30 Jun 2019 No. '000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
Balance as at 1 July	1,569	-	1,578	-	285	-	14,333	-
Applications	3,201	1,569	3,547	1,570	85	285	4,153	14,242
Redemptions	(132)	-	(122)	-	(15)	-	(584)	-
Units issued upon reinvestment of distributions	25	-	25	-	4	-	194	-
Increase/(decrease) in net assets attributable to unitholders	-	-	(808)	8	-	-	(1,852)	91
<b>Closing balance as at 30 June</b>	<b>4,663</b>	<b>1,569</b>	<b>4,220</b>	<b>1,578</b>	<b>359</b>	<b>285</b>	<b>16,244</b>	<b>14,333</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 9 Net assets attributable to unitholders (continued)

	Vanguard International Shares Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2020 No. '000	30 Jun 2019 No. '000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 No. '000	30 Jun 2019 No. '000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
Balance as at 1 July	6,254,294	5,942,746	14,417,120	12,867,849	22,646	15,816	1,693,179	1,083,338
Applications	1,556,478	1,211,352	3,707,094	2,676,567	6,825	6,770	541,750	478,744
Redemptions	(1,551,355)	(1,131,744)	(3,615,562)	(2,517,088)	(2,200)	-	(164,814)	-
Units issued upon reinvestment of distributions	222,978	231,940	520,091	503,028	85	60	6,424	4,169
Increase/(decrease) in net assets attributable to unitholders	-	-	(207,771)	886,764	-	-	23,260	126,928
<b>Closing balance as at 30 June</b>	<b>6,482,395</b>	<b>6,254,294</b>	<b>14,820,972</b>	<b>14,417,120</b>	<b>27,356</b>	<b>22,646</b>	<b>2,099,799</b>	<b>1,693,179</b>

	B Class			
	30 Jun 2020 No. '000	30 Jun 2019 No. '000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
	Balance as at 1 July	7,963	5,784	591,581
Applications	5,688	2,087	433,782	144,495
Redemptions	(856)	(101)	(63,774)	(7,000)
Units issued upon reinvestment of distributions	229	193	17,391	13,304
Increase/(decrease) in net assets attributable to unitholders	-	-	(5,306)	46,930
<b>Closing balance as at 30 June</b>	<b>13,024</b>	<b>7,963</b>	<b>973,674</b>	<b>591,581</b>

	Vanguard International Small Companies Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2020 No. '000	30 Jun 2019 No. '000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 No. '000	30 Jun 2019 No. '000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
Balance as at 1 July	539,894	410,805	887,063	694,715	200	-	10,272	-
Applications	226,937	149,171	362,788	246,452	545	200	27,746	10,158
Redemptions	(110,906)	(45,981)	(176,207)	(76,500)	-	-	-	-
Units issued upon reinvestment of distributions	38,570	25,899	61,775	42,720	2	-	89	3
Increase/(decrease) in net assets attributable to unitholders	-	-	(97,373)	(20,324)	-	-	(2,686)	111
<b>Closing balance as at 30 June</b>	<b>694,495</b>	<b>539,894</b>	<b>1,038,046</b>	<b>887,063</b>	<b>747</b>	<b>200</b>	<b>35,421</b>	<b>10,272</b>

Each unit represents a right to an individual share in the Funds and does not extend to a right to the underlying assets of the Funds. The Vanguard FTSE Asia ex Japan Shares Index ETF, Vanguard Emerging Markets Shares Index Fund, Vanguard FTSE Europe Shares ETF, Vanguard FTSE Emerging Markets Shares ETF and Vanguard International Property Securities Index Fund have no separate classes of units and each unit has the same rights attaching to it as all other units of the Funds.

### Capital risk management

The Funds consider their net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified either as a liability or equity. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Funds are subject to daily applications and redemptions at the discretion of unitholders.

Daily applications and redemptions are reviewed relative to the liquidity of the Funds' underlying assets on a daily basis by the Responsible Entity. Under the terms of the Funds' Constitution, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

The Funds' investment strategy remains unchanged and the Funds continue to hold direct investments which provide exposure to liquid assets including equity securities, income securities, interest earnings and cash equivalent securities. As such, the Funds will meet any capital requirements from the liquidation of liquid assets, which include cash and cash equivalents.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 10 Distributions to unitholders paid and payable

The distributions during the year were as follows:

	Vanguard FTSE Asia ex Japan Shares Index ETF				Vanguard Emerging Markets Shares Index Fund			
	30 Jun 2020		30 Jun 2019		30 Jun 2020		30 Jun 2019	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	1,786	71.6923	1,096	65.3582	15,069	2.7571	10,470	1.9807
- 31 December	974	34.9662	234	12.5125	12,347	2.1815	2,562	0.4551
- 31 March	672	24.8424	155	7.3464	15,316	2.6674	6,941	1.2393
Distributions payable								
- 30 June	1,499	52.0298	1,447	55.5161	18,194	3.1778	19,719	3.3455
	<b>4,931</b>	<b>183.5307</b>	<b>2,932</b>	<b>140.7332</b>	<b>60,926</b>	<b>10.7838</b>	<b>39,692</b>	<b>7.0206</b>

	Vanguard FTSE Europe Shares ETF				Vanguard FTSE Emerging Markets Shares ETF			
	30 Jun 2020		30 Jun 2019		30 Jun 2020		30 Jun 2019	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	1,051	24.7754	596	15.9338	2,999	63.3538	1,943	55.2008
- 31 December	1,277	29.3799	868	21.5352	3,840	75.8075	1,216	31.9388
- 31 March	1,088	25.4883	1,102	26.6530	977	18.3014	629	15.2437
Distributions payable								
- 30 June	1,841	55.2356	3,596	85.1233	2,058	36.9087	1,737	36.1099
	<b>5,257</b>	<b>134.8792</b>	<b>6,162</b>	<b>149.2453</b>	<b>9,874</b>	<b>194.3714</b>	<b>5,525</b>	<b>138.4932</b>

	Vanguard International Property Securities Index Fund			
	30 Jun 2020		30 Jun 2019	
	\$'000	CPU	\$'000	CPU
Distributions paid				
- 30 September	14,081	0.8256	19,130	1.2422
- 31 December	19,149	1.0709	22,698	1.5936
- 31 March	47,182	2.6707	29,020	1.8840
Distributions payable				
- 30 June	18,446	0.9724	16,558	1.0227
	<b>98,858</b>	<b>5.5396</b>	<b>87,406</b>	<b>5.7425</b>

	Vanguard Global Value Equity Fund							
	Wholesale Class				ETF Class			
	30 Jun 2020		30 Jun 2019		30 Jun 2020		30 Jun 2019	
\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU	
Distributions paid								
- 30 September	50	0.5992	91	0.4188	75	20.9604	42	19.9288
- 31 December	98	1.1354	71	0.3000	139	33.0626	34	13.4943
- 31 March	123	1.5619	59	0.4003	192	35.8949	51	18.2026
Distributions payable								
- 30 June	40	0.5091	224	2.9531	129	18.6220	202	66.5010
	<b>311</b>	<b>3.8056</b>	<b>445</b>	<b>4.0722</b>	<b>535</b>	<b>108.5399</b>	<b>329</b>	<b>118.1267</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 10 Distributions to unitholders paid and payable (continued)

	Vanguard Global Infrastructure Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2020		30 Jun 2019		30 Jun 2020		30 Jun 2019	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	3,645	0.6454	2,062	0.6876	221	27.4314	-	-
- 31 December	9,177	1.6261	3,634	0.8528	466	34.9450	7	14.8812
- 31 March	25,046	4.2865	4,939	1.0780	705	45.7154	34	30.0149
Distributions payable								
- 30 June	29,896	5.0390	10,395	2.0460	1,010	59.3891	95	31.8867
	<b>67,764</b>	<b>11.5970</b>	<b>21,030</b>	<b>4.6644</b>	<b>2,402</b>	<b>167.4809</b>	<b>136</b>	<b>76.7828</b>

	Vanguard Global Multi-Factor Fund							
	Wholesale Class				ETF Class			
	30 Jun 2020		30 Jun 2019		30 Jun 2020		30 Jun 2019	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	5	0.3014	-	-	47	15.4657	-	-
- 31 December	6	0.3275	-	-	54	17.1006	-	-
- 31 March	15	0.2923	-	-	44	13.1358	-	-
Distributions payable								
- 30 June	22	0.4748	9	0.5903	88	24.1577	84	29.3151
	<b>48</b>	<b>1.3960</b>	<b>9</b>	<b>0.5903</b>	<b>233</b>	<b>69.8598</b>	<b>84</b>	<b>29.3151</b>

	Vanguard International Shares Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2020		30 Jun 2019		30 Jun 2020		30 Jun 2019	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	107,991	1.6721	78,253	1.3204	8,676	36.9838	5,128	30.3549
- 31 December	110,388	1.6601	142,787	2.3553	12,197	45.0855	7,585	39.0286
- 31 March	142,802	2.2016	151,015	2.4752	12,087	45.4245	10,057	48.4093
Distributions payable								
- 30 June	541,458	8.3527	340,052	5.4371	17,762	63.5546	16,761	72.9679
	<b>902,639</b>	<b>13.8865</b>	<b>712,107</b>	<b>11.5880</b>	<b>50,722</b>	<b>191.0484</b>	<b>39,531</b>	<b>190.7607</b>

					B Class			
	30 Jun 2020		30 Jun 2019		30 Jun 2020		30 Jun 2019	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September					3,142	37.1604	1,833	31.0283
- 31 December					4,149	44.8506	2,660	39.7719
- 31 March					4,215	42.1663	3,553	47.8924
Distributions payable								
- 30 June					28,309	217.3593	5,886	73.9128
					<b>39,815</b>	<b>341.5366</b>	<b>13,932</b>	<b>192.6054</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 10 Distributions to unitholders paid and payable (continued)

	Vanguard International Small Companies Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2020		30 Jun 2019		30 Jun 2020		30 Jun 2019	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	9,408	1.6396	2,052	0.4514	95	23.1508	-	-
- 31 December	15,397	2.4433	7,033	1.4508	328	60.7920	14	36.5737
- 31 March	15,140	2.2035	7,506	1.4782	375	56.8681	27	23.4608
Distributions payable								
- 30 June	18,020	2.5947	27,075	5.0149	503	66.5562	275	136.8293
	<b>57,965</b>	<b>8.8811</b>	<b>43,666</b>	<b>8.3953</b>	<b>1,301</b>	<b>207.3671</b>	<b>316</b>	<b>196.8638</b>

## 11 Cash and cash equivalents

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Emerging Markets Shares Index Fund		Vanguard FTSE Europe Shares ETF		Vanguard FTSE Emerging Markets Shares ETF	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Domestic cash at bank	143	16	1,370	1,163	17	96	168	226
Foreign cash at bank	1,790	598	11,149	9,520	90	238	115	147
<b>Total cash and cash equivalents</b>	<b>1,933</b>	<b>614</b>	<b>12,519</b>	<b>10,683</b>	<b>107</b>	<b>334</b>	<b>283</b>	<b>373</b>

	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Domestic cash at bank	1,734	2,227	66	39	2,004	2,432
Foreign cash at bank	3,907	17,368	99	489	3,631	7,720
<b>Total cash and cash equivalents</b>	<b>5,641</b>	<b>19,595</b>	<b>165</b>	<b>528</b>	<b>5,635</b>	<b>10,152</b>

	Vanguard Global Multi-Factor Fund		Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Domestic cash at bank	(10)	9	33,962	26,267	2,595	672
Foreign cash at bank	39	57	110,048	59,843	4,809	6,765
<b>Total cash and cash equivalents</b>	<b>29</b>	<b>66</b>	<b>144,010</b>	<b>86,110</b>	<b>7,404</b>	<b>7,437</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 12 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Emerging Markets Shares Index Fund		Vanguard FTSE Europe Shares ETF		Vanguard FTSE Emerging Markets Shares ETF	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>								
Profit/(loss) for the year	4,876	6,842	(26,733)	72,638	(17,247)	13,301	(11,639)	22,649
Proceeds from sale of financial instruments at fair value through profit or loss	29,699	3,227	363,656	98,643	72,173	5,275	18,849	3,852
Purchases of financial instruments at fair value through profit or loss	(42,583)	(71,127)	(291,741)	(336,606)	(28,021)	(43,097)	(67,805)	(98,275)
Net (gains)/losses on financial instruments at fair value through profit or loss	(1,357)	(3,766)	56,723	(47,318)	21,299	(7,434)	19,521	(17,738)
Net change in receivables	60	(411)	2,309	(1,610)	3	(5)	(3)	(10)
Net change in payables	(65)	87	(133)	746	(14)	10	6	37
Non-cash items	(84)	(86)	(328)	(6)	-	-	-	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(9,454)</b>	<b>(65,234)</b>	<b>103,753</b>	<b>(213,513)</b>	<b>48,193</b>	<b>(31,950)</b>	<b>(41,071)</b>	<b>(89,485)</b>

### (b) Non-cash financing activities

During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan

	721	386	45,655	22,305	269	211	1,038	486
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	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

### (a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

Profit/(loss) for the year	(289,746)	219,690	-	-	-	-
Increase/(decrease) in net assets attributable to unitholders	-	-	(7,595)	(1,782)	(95,584)	77,328
Distribution to unitholders	-	-	846	774	70,166	21,166
Proceeds from sale of financial instruments at fair value through profit or loss	394,637	587,951	15,246	30,781	267,707	90,228
Purchases of financial instruments at fair value through profit or loss	(672,440)	(612,331)	(32,998)	(27,209)	(430,642)	(347,815)
Net (gains)/losses on financial instruments at fair value through profit or loss	344,249	(160,724)	7,355	1,607	43,283	(86,783)
Net change in receivables	1,650	(587)	12	1	137	(716)
Net change in payables	(9)	83	2	(1)	441	134
Non-cash items	(69)	(1)	(1)	-	(346)	(603)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(221,728)</b>	<b>34,081</b>	<b>(17,133)</b>	<b>4,171</b>	<b>(144,838)</b>	<b>(247,061)</b>

### (b) Non-cash financing activities

During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan

	68,901	122,991	263	1,460	27,183	13,368
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# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 12 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities (continued)

	Vanguard Global Multi-Factor Fund		Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>						
Increase/(decrease) in net assets attributable to unitholders	(2,660)	99	(189,817)	1,060,622	(100,059)	(20,213)
Distribution to unitholders	281	93	993,176	765,570	59,266	43,982
Proceeds from sale of financial instruments at fair value through profit or loss	18,794	524	2,434,207	1,045,585	253,746	121,805
Purchases of financial instruments at fair value through profit or loss	(26,021)	(16,361)	(3,339,133)	(1,902,605)	(475,319)	(311,862)
Net (gains)/losses on financial instruments at fair value through profit or loss	2,658	(103)	(480,761)	(1,506,515)	54,377	(12,148)
Net change in receivables	(2)	(23)	9,483	(11,025)	20	(635)
Net change in payables	-	5	227	241	(223)	343
Non-cash items	-	(2)	(444)	(1,134)	(4)	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(6,950)</b>	<b>(15,768)</b>	<b>(573,062)</b>	<b>(549,261)</b>	<b>(208,196)</b>	<b>(178,728)</b>
<b>(b) Non-cash financing activities</b>						
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	219	-	543,906	520,501	61,864	42,723

## 13 Remuneration of auditors

The auditor's remuneration is borne by the Responsible Entity. During the year, the following fees were paid or payable for services provided by the auditor of the Funds.

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard FTSE Europe Shares ETF		Vanguard FTSE Emerging Markets Shares ETF	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	\$	\$	\$	\$	\$	\$
<b>PricewaterhouseCoopers</b>						
Audit and other assurance services						
Audit and review of financial statements	20,500	20,500	20,500	20,500	20,500	20,500
Audit of compliance plan and specified assertions report	3,699	3,589	3,699	3,589	3,699	3,589
<b>Total remuneration for audit and other assurance services</b>	<b>24,199</b>	<b>24,089</b>	<b>24,199</b>	<b>24,089</b>	<b>24,199</b>	<b>24,089</b>
Taxation services						
Tax compliance services	6,375	8,250	6,375	8,250	9,490	9,865
<b>Total remuneration for taxation services</b>	<b>6,375</b>	<b>8,250</b>	<b>6,375</b>	<b>8,250</b>	<b>9,490</b>	<b>9,865</b>
<b>Total remuneration of PricewaterhouseCoopers</b>	<b>30,574</b>	<b>32,339</b>	<b>30,574</b>	<b>32,339</b>	<b>33,689</b>	<b>33,954</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 13 Remuneration of auditors (continued)

	Vanguard Emerging Markets Shares Index Fund		Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	\$	\$	\$	\$	\$	\$	\$	\$
<b>PricewaterhouseCoopers</b>								
Audit and other assurance services								
Audit and review of financial statements	18,500	18,500	18,500	18,500	24,000	26,000	21,000	21,000
Audit of compliance plan, specified assertions report and internal controls report	9,324	9,402	9,324	9,402	9,324	9,402	9,324	9,402
Total remuneration for audit and other assurance services	27,824	27,902	27,824	27,902	33,324	35,402	30,324	30,402
Taxation services								
Tax compliance services	9,490	9,865	9,490	9,865	9,490	9,865	9,490	9,865
Total remuneration for taxation services	9,490	9,865	9,490	9,865	9,490	9,865	9,490	9,865
<b>Total remuneration of PricewaterhouseCoopers</b>	<b>37,314</b>	<b>37,767</b>	<b>37,314</b>	<b>37,767</b>	<b>42,814</b>	<b>45,267</b>	<b>39,814</b>	<b>40,267</b>

	Vanguard Global Multi-Factor Fund		Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	\$	\$	\$	\$	\$	\$
<b>PricewaterhouseCoopers</b>						
Audit and other assurance services						
Audit and review of financial statements			24,500	24,500	24,500	21,500
Audit of compliance plan, specified assertions report and internal controls report			9,324	9,402	9,324	9,402
Total remuneration for audit and other assurance services			33,824	33,902	33,824	30,902
Taxation services						
Tax compliance services			9,490	9,865	9,490	9,865
Total remuneration for taxation services			9,490	9,865	9,490	9,865
<b>Total remuneration of PricewaterhouseCoopers</b>			<b>43,314</b>	<b>43,767</b>	<b>43,314</b>	<b>40,314</b>

## 14 Related party transactions

### Responsible Entity

The Responsible Entity of the Vanguard Wholesale International Equities Funds (Unhedged) and ETFs is Vanguard Investments Australia Ltd (ABN 72 072 881 086 AFSL 227263), which is a wholly owned subsidiary of The Vanguard Group, Inc.

### Key management personnel

Key management personnel includes persons who were directors of Responsible Entity at any time during the financial year as follows:

J M Norris

C Lui

J Platt

F Kolimago

No other person had authority and responsibility for planning, directing and controlling the activities of the Funds, directly or indirectly during the financial year.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 14 Related party transactions (continued)

### Transactions with key management personnel

Key management personnel services are provided by Vanguard Investments Australia Ltd and included in the management fees. There is no separate charge for these services. There was no compensation paid directly by the Funds to any of the key management personnel.

### Key management personnel unitholdings

The key management personnel of Vanguard Investments Australia Ltd (VIA) did not hold any units in the Funds during the financial year ended 30 June 2020 and 30 June 2019.

### Key management personnel remuneration

Key management personnel are paid by the Responsible Entity. Payments made from the Funds do not include any amounts directly attributable to key management personnel remuneration.

### Key management personnel loan disclosures

The Funds have not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

### Responsible Entity's fees and other transactions

During the year ended 30 June 2020, the Responsible Entity received an all-inclusive management fee (inclusive of GST, net of RITC available to the Funds) over the Funds' average net assets attributable to unitholders for the year as follows:

	Management costs	
	2020 % per annum	2019 % per annum
Vanguard FTSE Asia ex Japan Shares Index ETF	0.40	0.40
Vanguard Emerging Markets Shares Index Fund	0.56	0.56
Vanguard FTSE Europe Shares ETF	0.35	0.35
Vanguard FTSE Emerging Markets Shares ETF	0.48	0.48
Vanguard International Property Securities Index Fund	0.40	0.40
Vanguard Global Value Equity Fund - Wholesale Class	0.35	0.35
Vanguard Global Value Equity Fund - ETF Class	0.28	0.28
Vanguard Global Infrastructure Index Fund - Wholesale Class	0.49	0.49
Vanguard Global Infrastructure Index Fund - ETF Class	0.47	0.47
Vanguard Global Multi-Factor Fund - Wholesale Class	0.35	0.35
Vanguard Global Multi-Factor Fund - ETF Class	0.33	0.33
Vanguard International Shares Index Fund - Wholesale Class	0.18	0.18
Vanguard International Shares Index Fund - ETF Class	0.18	0.18
Vanguard International Shares Index Fund - B Class	0.18	0.18
Vanguard International Small Companies Index Fund - Wholesale Class	0.39	0.39
Vanguard International Small Companies Index Fund - ETF Class	0.32	0.32

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the year and amounts payable at year end between the Funds and the Responsible Entity are as follows:

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Emerging Markets Shares Index Fund		Vanguard FTSE Europe Shares ETF		Vanguard FTSE Emerging Markets Shares ETF	
	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000	30 Jun 2020 \$'000	30 Jun 2019 \$'000
Responsible Entity's fees for the year	712	495	6,752	6,410	623	580	1,322	909
Total fees payable to the Responsible Entity at year end	59	54	1,086	574	39	53	107	101

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 14 Related party transactions (continued)

### Responsible Entity's fees and other transactions (continued)

	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Responsible Entity's fees for the year	8,322	6,859	86	102	4,129	2,310
Total fees payable to the Responsible Entity at year end	608	618	7	6	705	264

	Vanguard Global Multi-Factor Fund		Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Responsible Entity's fees for the year	63	11	33,402	27,722	4,079	3,120
Total fees payable to the Responsible Entity at year end	5	5	2,726	2,488	356	580

### Related party unitholdings

Parties related to the Funds including the Responsible Entity, its affiliates or other schemes managed by the Responsible Entity held units in the Funds as follows:

30 Jun 2020 Unitholder	Vanguard Emerging Markets Shares Index Fund						
	Number of units held opening	Number of units held closing	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
	Units	Units	\$	%	Units	Units	\$
Vanguard LifeStrategy® Conservative Fund	427,812	593,992	1,190,123	0.10	350,084	183,904	57,485
Vanguard LifeStrategy® Balanced Fund	1,824,404	2,327,202	4,662,782	0.41	507,473	4,675	237,256
Vanguard LifeStrategy® Growth Fund	3,974,094	4,519,400	9,055,070	0.79	593,434	48,128	470,653
Vanguard LifeStrategy® High Growth Fund	5,732,041	6,665,104	13,354,203	1.16	1,321,268	388,205	689,356
Vanguard Conservative Index Fund	17,410,887	24,819,014	49,727,376	4.33	7,408,127	-	2,490,183
Vanguard Balanced Index Fund	59,795,551	79,893,645	160,074,907	13.95	20,328,961	230,867	7,905,142
Vanguard Growth Index Fund	90,329,730	106,505,080	213,393,579	18.60	27,606,902	11,431,552	11,504,234
Vanguard High Growth Index Fund	58,872,973	84,266,417	168,836,192	14.72	27,364,038	1,970,594	8,288,888
Vanguard Managed Payout Fund	338,454	447,907	897,426	0.08	215,817	106,364	45,861

30 Jun 2019 Unitholder	Vanguard Emerging Markets Shares Index Fund						
	Number of units held opening	Number of units held closing	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
	Units	Units	\$	%	Units	Units	\$
Vanguard LifeStrategy® Conservative Fund	375,540	427,812	920,800	0.07	173,332	121,060	29,087
Vanguard LifeStrategy® Balanced Fund	1,579,360	1,824,404	3,926,745	0.31	263,031	17,987	125,569
Vanguard LifeStrategy® Growth Fund	3,501,686	3,974,094	8,553,620	0.67	679,008	206,600	278,565
Vanguard LifeStrategy® High Growth Fund	4,628,682	5,732,041	12,337,329	0.97	1,153,162	49,803	389,472
Vanguard Conservative Index Fund	14,288,252	17,410,887	37,474,231	2.95	3,122,635	-	1,173,387
Vanguard Balanced Index Fund	43,199,841	59,795,551	128,700,635	10.14	16,595,710	-	3,869,135
Vanguard Growth Index Fund	61,718,274	90,329,730	194,420,713	15.33	33,009,041	4,397,585	5,701,167
Vanguard High Growth Index Fund	46,081,636	58,872,973	126,714,929	9.99	18,084,601	5,293,264	3,862,121
Vanguard Managed Payout Fund	-	338,454	728,470	0.06	414,823	76,369	21,081

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 14 Related party transactions (continued)

### Related party unitholdings (continued)

30 Jun 2020 Unitholder	Vanguard International Property Securities Index Fund						
	Number of units held opening Units	Number of units held closing Units	Fair value of investments \$	Interest held at year end %	Number of units acquired Units	Number of units disposed Units	Distributions paid/payable by the Fund \$
Vanguard International Property Securities Index Fund (Hedged)	1,132,207,084	1,372,291,354	1,316,988,012	72.34	523,415,762	283,331,492	68,641,295

30 Jun 2019 Unitholder	Vanguard International Property Securities Index Fund						
	Number of units held opening Units	Number of units held closing Units	Fair value of investments \$	Interest held at year end %	Number of units acquired Units	Number of units disposed Units	Distributions paid/payable by the Fund \$
Vanguard International Property Securities Index Fund (Hedged)	1,040,581,965	1,132,207,084	1,319,783,783	69.93	554,326,958	462,701,839	60,826,985

30 Jun 2020 Unitholder	Vanguard Global Value Equity Fund						
	Number of units held opening Units	Number of units held closing Units	Fair value of investments \$	Interest held at year end %	Number of units acquired Units	Number of units disposed Units	Distributions paid/payable by the Fund \$
Vanguard Managed Payout Fund	1,096,202	1,657,839	1,444,310	20.82	898,174	336,537	56,938

30 Jun 2019 Unitholder	Vanguard Global Value Equity Fund						
	Number of units held opening Units	Number of units held closing Units	Fair value of investments \$	Interest held at year end %	Number of units acquired Units	Number of units disposed Units	Distributions paid/payable by the Fund \$
Vanguard Investments Australia Ltd	14,185,784	-	-	-	1,013,769	15,199,553	132,439
Vanguard Managed Payout Fund	-	1,096,202	1,204,912	14.42	1,232,839	136,637	41,720

30 Jun 2020 Unitholder	Vanguard Global Infrastructure Index Fund						
	Number of units held opening Units	Number of units held closing Units	Fair value of investments \$	Interest held at year end %	Number of units acquired Units	Number of units disposed Units	Distributions paid/payable by the Fund \$
Vanguard Global Infrastructure Index Fund (Hedged)	226,829,408	340,036,162	392,639,756	57.31	199,899,420	86,692,666	36,307,451
Vanguard Managed Payout Fund	-	1,210,671	1,397,962	0.20	1,346,256	135,585	126,751

30 Jun 2019 Unitholder	Vanguard Global Infrastructure Index Fund						
	Number of units held opening Units	Number of units held closing Units	Fair value of investments \$	Interest held at year end %	Number of units acquired Units	Number of units disposed Units	Distributions paid/payable by the Fund \$
Vanguard Global Infrastructure Index Fund (Hedged)	119,710,676	226,829,408	295,363,693	44.65	169,717,661	62,598,929	9,716,256
Vanguard Managed Payout Fund	962,513	-	-	-	38,076	1,000,589	-

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 14 Related party transactions (continued)

### Related party unitholdings (continued)

		Vanguard Global Multi-Factor Fund - Wholesale Class						
30 Jun 2020	Number of units held opening	Number of units held closing	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund	
Unitholder	Units	Units	\$	%	Units	Units	\$	
Vanguard Investments Australia Ltd	1,569,167	1,593,185	1,441,514	34.17	24,018	-	22,147	

		Vanguard Global Multi-Factor Fund - Wholesale Class						
30 Jun 2019	Number of units held opening	Number of units held closing	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund	
Unitholder	Units	Units	\$	%	Units	Units	\$	
Vanguard Investments Australia Ltd	-	1,569,167	1,577,949	100.00	1,569,167	-	9,263	

		Vanguard Global Multi-Factor Fund - ETF Class						
30 Jun 2020	Number of units held opening	Number of units held closing	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund	
Unitholder	Units	Units	\$	%	Units	Units	\$	
Vanguard Investments Australia Ltd	250,000	253,781	11,494,148	70.71	3,781	-	176,476	

		Vanguard Global Multi-Factor Fund - ETF Class						
30 Jun 2019	Number of units held opening	Number of units held closing	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund	
Unitholder	Units	Units	\$	%	Units	Units	\$	
Vanguard Investments Australia Ltd	-	250,000	12,582,644	87.72	250,000	-	73,281	

		Vanguard International Shares Index Fund						
30 Jun 2020	Number of units held opening	Number of units held closing	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund	
Unitholder	Units	Units	\$	%	Units	Units	\$	
Vanguard Index International Shares Fund	160,799,302	163,194,497	373,258,453	2.52	23,169,116	20,773,921	22,998,720	
Vanguard LifeStrategy® Conservative Fund	1,633,553	2,037,252	4,659,602	0.03	2,240,493	1,836,794	281,570	
Vanguard LifeStrategy® Balanced Fund	8,245,514	9,713,166	22,215,952	0.15	4,255,267	2,787,615	1,318,003	
Vanguard LifeStrategy® Growth Fund	19,256,429	20,146,777	46,079,708	0.31	4,283,415	3,393,067	2,760,357	
Vanguard LifeStrategy® High Growth Fund	28,391,580	30,631,493	70,060,351	0.47	6,521,616	4,281,703	4,156,219	
Vanguard Conservative Index Fund	71,134,498	94,122,547	215,277,089	1.45	44,112,876	21,124,827	12,576,741	
Vanguard Balanced Index Fund	264,011,638	330,140,818	755,098,080	5.09	123,850,960	57,721,780	44,649,464	
Vanguard Growth Index Fund	422,697,740	473,393,371	1,082,745,319	7.30	181,963,618	131,267,987	66,023,409	
Vanguard High Growth Index Fund	302,462,096	377,792,843	864,087,790	5.83	113,532,339	38,201,592	50,442,090	
Vanguard International Shares Index Fund (Hedged)	1,973,707,203	2,198,302,624	5,027,957,761	33.91	604,158,632	379,563,211	294,941,181	
Vanguard MSCI Index International Shares (Hedged) ETF	7,962,874	13,024,191	973,736,739	5.42	5,917,336	856,019	39,814,645	
Vanguard Managed Payout Fund	2,312,968	2,151,053	4,919,888	0.03	935,042	1,096,957	303,923	

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 14 Related party transactions (continued)

### Related party unitholdings (continued)

30 Jun 2019 Unitholder	Vanguard International Shares Index Fund						
	Number of units held opening Units	Number of units held closing Units	Fair value of investments \$	Interest held at year end %	Number of units acquired Units	Number of units disposed Units	Distributions paid/payable by the Fund \$
Vanguard Index International Shares Fund	150,659,450	160,799,302	370,904,331	2.57	25,140,467	15,000,615	18,672,224
Vanguard LifeStrategy® Conservative Fund	1,566,498	1,633,553	3,768,000	0.03	560,178	493,123	188,789
Vanguard LifeStrategy® Balanced Fund	7,559,807	8,245,514	19,019,342	0.13	1,506,668	820,961	948,738
Vanguard LifeStrategy® Growth Fund	17,111,475	19,256,429	44,417,437	0.31	3,740,693	1,595,739	2,209,686
Vanguard LifeStrategy® High Growth Fund	23,516,380	28,391,580	65,488,841	0.45	4,940,718	65,518	3,194,820
Vanguard Conservative Index Fund	56,581,145	71,134,498	164,080,895	1.14	16,592,380	2,039,020	7,825,353
Vanguard Balanced Index Fund	205,045,507	264,011,638	608,976,898	4.22	74,345,941	15,379,817	29,116,598
Vanguard Growth Index Fund	302,007,424	422,697,740	975,006,861	6.76	120,690,316	-	45,946,636
Vanguard High Growth Index Fund	218,753,772	302,462,096	697,667,838	4.84	87,970,494	4,262,170	32,788,182
Vanguard International Shares Index Fund (Hedged)	1,999,543,615	1,973,707,203	4,552,610,251	31.60	260,702,473	286,538,885	227,751,597
Vanguard MSCI Index International Shares (Hedged) ETF	5,784,203	7,962,874	591,353,857	0.04	2,279,882	101,211	13,930,570
Vanguard Managed Payout Fund	1,343,259	2,312,968	5,335,159	0.04	1,381,325	411,616	243,139

30 Jun 2020 Unitholder	Vanguard International Small Companies Index Fund						
	Number of units held opening Units	Number of units held closing Units	Fair value of investments \$	Interest held at year end %	Number of units acquired Units	Number of units disposed Units	Distributions paid/payable by the Fund \$
Vanguard LifeStrategy® Conservative Fund	537,314	723,992	1,082,295	0.10	334,902	148,224	61,480
Vanguard LifeStrategy® Balanced Fund	2,754,012	3,726,544	5,570,811	0.54	1,412,395	439,863	302,241
Vanguard LifeStrategy® Growth Fund	6,384,819	7,717,192	11,536,430	1.11	1,363,096	30,723	636,273
Vanguard LifeStrategy® High Growth Fund	9,814,700	11,730,083	17,535,301	1.69	1,960,552	45,169	964,079
Vanguard Conservative Index Fund	22,942,875	36,027,096	53,856,906	5.19	17,497,605	4,413,384	2,829,157
Vanguard Balanced Index Fund	89,928,641	126,377,441	188,921,636	18.20	38,421,446	1,972,646	10,328,091
Vanguard Growth Index Fund	146,502,162	180,486,014	269,808,542	25.99	58,991,771	25,007,919	15,900,326
Vanguard High Growth Index Fund	104,123,596	145,364,550	217,305,465	20.93	43,213,600	1,972,646	11,661,442
Vanguard International Small Companies Index Fund (Hedged)	46,817,701	36,114,901	53,988,166	5.20	24,811,362	35,514,162	3,165,078

30 Jun 2019 Unitholder	Vanguard International Small Companies Index Fund						
	Number of units held opening Units	Number of units held closing Units	Fair value of investments \$	Interest held at year end %	Number of units acquired Units	Number of units disposed Units	Distributions paid/payable by the Fund \$
Vanguard LifeStrategy® Conservative Fund	441,922	537,314	882,619	0.10	184,155	88,763	44,875
Vanguard LifeStrategy® Balanced Fund	2,181,059	2,754,012	4,523,880	0.51	928,887	355,934	227,820
Vanguard LifeStrategy® Growth Fund	5,087,200	6,384,819	10,488,027	1.18	1,880,139	582,520	531,097
Vanguard LifeStrategy® High Growth Fund	7,126,469	9,814,700	16,122,123	1.82	2,741,961	53,730	794,297
Vanguard Conservative Index Fund	16,655,632	22,942,875	37,687,127	4.25	7,977,178	1,689,935	1,866,482
Vanguard Balanced Index Fund	61,503,235	89,928,641	147,721,334	16.66	35,617,799	7,192,393	7,149,700
Vanguard Growth Index Fund	95,938,714	146,502,162	240,651,861	27.14	50,563,448	-	11,490,685
Vanguard High Growth Index Fund	69,266,622	104,123,596	171,038,685	19.29	34,856,974	-	8,221,937
Vanguard International Small Companies Index Fund (Hedged)	61,604,620	46,817,701	76,905,123	8.67	8,829,947	23,616,866	4,168,973

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 14 Related party transactions (continued)

### Investments

The Funds held investments in the following schemes which were also managed by Responsible Entity or its related parties:

30 Jun 2020	Vanguard FTSE Europe Shares ETF					
	Fair value of investment \$	Interest held %	Distribution received/ receivable \$	Number of units acquired Units	Number of units disposed Units	Distribution receivable unpaid \$
Vanguard FTSE Europe ETF	172,702,481	1.08	4,684,460	347,449	1,008,496	-
	172,702,481		4,684,460	347,449	1,008,496	-

30 Jun 2019	Vanguard FTSE Europe Shares ETF					
	Fair value of investment \$	Interest held %	Distribution received/ receivable \$	Number of units acquired Units	Number of units disposed Units	Distribution receivable unpaid \$
Vanguard FTSE Europe ETF	236,622,548	1.21	6,434,053	574,877	74,400	-
	236,622,548		6,434,053	574,877	74,400	-

30 Jun 2020	Vanguard FTSE Emerging Markets Shares ETF					
	Fair value of investment \$	Interest held %	Distribution received/ receivable \$	Number of units acquired Units	Number of units disposed Units	Distribution receivable unpaid \$
Vanguard FTSE Emerging Markets ETF	344,765,932	0.43	9,195,441	1,102,932	319,020	-
	344,765,932		9,195,441	1,102,932	319,020	-

30 Jun 2019	Vanguard FTSE Emerging Markets Shares ETF					
	Fair value of investment \$	Interest held %	Distribution received/ receivable \$	Number of units acquired Units	Number of units disposed Units	Distribution receivable unpaid \$
Vanguard FTSE Emerging Markets ETF	315,442,555	0.35	5,789,990	1,710,384	78,626	-
	315,442,555		5,789,990	1,710,384	78,626	-

Interest held represents the entity's year end percentage interest of the investee funds.

A Fund's maximum exposure to loss from its interest in investee funds is equal to the total fair value of its investments in the investee funds as there is no off-balance sheet exposure relating to any of the investee funds. Once the Fund has disposed of its shares in an investee fund, it ceases to be exposed to any risk from that investee fund.

The proportion of ownership interest is equal to the proportion of the voting power held.

The Funds did not hold any investments in Vanguard Investments Australia Ltd during the year.

### Other transactions within the Funds

Apart from those details disclosed in this note, no directors have entered into a material contract with the Funds during the financial year and there were no material contracts involving directors' interests subsisting at year end.

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 15 Responsible Entity's fees

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Emerging Markets Shares Index Fund		Vanguard FTSE Europe Shares ETF	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2019	30 Jun 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Responsible Entity's fees incurred by the Funds	712	495	6,752	6,410	623	580
Management costs per annum	0.40%	0.40%	0.56%	0.56%	0.35%	0.35%

	Vanguard FTSE Emerging Markets Shares ETF		Vanguard International Property Securities Index Fund	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	\$'000	\$'000	\$'000	\$'000
Responsible Entity's fees incurred by the Funds	1,322	909	8,322	6,859
Management costs per annum	0.48%	0.48%	0.40%	0.40%

	Vanguard Global Value Equity Fund				Vanguard Global Infrastructure Index Fund			
	Wholesale Class		ETF Class		Wholesale Class		ETF Class	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
Responsible Entity's fees incurred by the Funds	30	69	56	33	3,795	2,292	334	18
Management costs per annum	0.35%	0.35%	0.28%	0.28%	0.49%	0.49%	0.47%	0.47%

	Vanguard Global Multi-Factor Fund				Vanguard International Small Companies Index Fund			
	Wholesale Class		ETF Class		Wholesale Class		ETF Class	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
Responsible Entity's fees incurred by the Funds	10	4	53	7	3,991	3,110	88	10
Management costs per annum	0.35%	0.35%	0.33%	0.33%	0.39%	0.39%	0.32%	0.32%

	Vanguard International Shares Index Fund					
	Wholesale Class		ETF Class		B Class	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
Responsible Entity's fees incurred by the Funds	28,391	24,418	3,670	2,446	1,341	858
Management costs per annum	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%

# Notes to the financial statements (continued)

For the year ended 30 June 2020

## 16 Securities Lending

The aggregate amount of securities on loan by the Funds and the value of collateral held by the Funds in respect of these securities are set out below. There was no cash collateral received.

	30 Jun 2020		30 Jun 2019	
	Value of outstanding securities on loan \$'000	Value of collateral \$'000	Value of outstanding securities on loan \$'000	Value of collateral \$'000
Vanguard FTSE Asia ex Japan Shares Index ETF	893	955	696	739
Vanguard Emerging Markets Shares Index Fund	5,581	6,018	7,963	8,456
Vanguard International Property Securities Index Fund	64,532	68,566	11,634	12,437
Vanguard Global Value Equity Fund	303	330	315	337
Vanguard Global Infrastructure Index Fund	1,227	1,315	173	184
Vanguard Global Multi-Factor Fund	84	96	81	86
Vanguard International Shares Index Fund	100,497	107,083	67,664	72,294
Vanguard International Small Companies Index Fund	23,511	25,597	28,050	30,018

## 17 Withholding tax on dividend and distribution income

Withholding tax on dividend and distribution income were as follows:

	2020 \$'000	2019 \$'000
Vanguard FTSE Asia ex Japan Shares Index ETF	393	253
Vanguard Emerging Markets Shares Index Fund	3,467	3,427
Vanguard FTSE Europe Shares ETF	820	1,139
Vanguard FTSE Emerging Markets Shares ETF	1,617	1,026
Vanguard International Property Securities Index Fund	10,386	10,592
Vanguard Global Value Equity Fund	100	101
Vanguard Global Infrastructure Index Fund	3,309	1,927
Vanguard Global Multi-Factor Fund	54	11
Vanguard International Shares Index Fund	50,243	45,663
Vanguard International Small Companies Index Fund	2,379	1,924

## 18 Events occurring after the reporting period

There are no significant events that have occurred since balance date which would impact on the financial position of the Funds as disclosed in the balance sheet as at 30 June 2020 or on the results and cash flows of the Funds for the year ended on that date.

## 19 Contingent assets, contingent liabilities and commitments

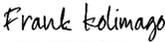
There are no outstanding contingent assets, liabilities or commitments as at 30 June 2020 (2019: Nil).

# Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 11 to 72 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the Funds' financial position as at 30 June 2020 and of their performance, as represented by the results of their operations for the financial year ended on that date.
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable.
- (c) Note 2(a) confirms that the financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors.

DocuSigned by:  
  
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F Kolimago  
*Managing Director*  
Melbourne  
9 September 2020



## *Independent auditor's report*

To the unitholders of:

- Vanguard FTSE Asia ex Japan Shares Index ETF\*
- Vanguard Emerging Markets Shares Index Fund
- Vanguard FTSE Europe Shares ETF\*
- Vanguard FTSE Emerging Markets Shares ETF\*
- Vanguard International Property Securities Index Fund
- Vanguard Global Value Equity Fund\*
- Vanguard Global Infrastructure Index Fund\*
- Vanguard Global Multi-Factor Fund\*
- Vanguard International Shares Index Fund\*
- Vanguard International Small Companies Index Fund\*

referred to collectively as Vanguard Wholesale International Equities Funds (Unhedged) and ETFs.

\* denotes listed Funds

## *Report on the audit of the financial report*

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### *Our opinion*

In our opinion:

The accompanying financial report of Vanguard Wholesale International Equities Funds (Unhedged) and ETFs (the Funds) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Funds' financial positions as at 30 June 2020 and of their financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### *What we have audited*

The financial report comprises:

- the balance sheets as at 30 June 2020
- the statements of comprehensive income for the year then ended
- the statements of changes in equity for the year then ended
- the statements of cash flows for the year then ended
- the notes to the financial statements, which include a summary of significant accounting policies
- the directors' declaration.

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### *Basis for opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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**PricewaterhouseCoopers, ABN 52 780 433 757**  
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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Independence***

We are independent of the Funds in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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### ***Our audit approach***

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Funds, its accounting processes and controls and the industry in which it operates.



### ***Materiality***

- For the purpose of our audit, we used approximately 1% of each Fund's net assets to set our overall materiality for each Fund.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole.
- We chose net assets because, in our view, it is the metric against which the performance of the Funds are most commonly measured and is a generally accepted benchmark in the fund industry.
- We utilised 1% as the threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds.



### *Audit Scope*

- Our audit focused on where the Funds made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- Our audit approach reflects the nature of the investments held by the Funds and the consideration of the work undertaken by third-party service providers. The key service provider relevant to our audit is the administrator and custodian, who maintains the accounting records of the Funds and provides custodian services for the investments.

### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit Committee.

#### *Key audit matter*

#### *How our audit addressed the key audit matter*

##### ***Investments in financial assets and financial liabilities***

*Refer to note 2 (Summary of significant accounting policies) and note 4 (Fair value measurement)*

At 30 June 2020, investments in financial assets and financial liabilities comprised primarily of investments in listed equity securities, listed unit trusts and derivatives.

Investments in financial assets and financial liabilities was a key audit matter because investments represent the principal element of the balance sheet. A discrepancy in the valuation or existence of investments could cause the net asset value to be materially misstated which would also impact the Funds' reported performance as the valuation of investments is the main driver of movements in the profit of the Funds.

To assess the design and operating effectiveness of the service providers' relevant controls, we:

- inspected the most recent reports provided to Vanguard Investments Australia Ltd (the Responsible Entity) by the service providers setting out the controls in place at that service provider, and that included an independent audit opinion over the design and operating effectiveness of those controls.
- developed an understanding of the control objectives and associated control activities and evaluated the results of the tests undertaken and the conclusions formed by the auditor on the design and operating effectiveness of controls, to the extent relevant to our audit of the Funds.

We obtained an independent audit report from the third-party service provider's auditors on the valuation and existence of the Funds' investments as at balance sheet date. We compared the number and value of the investments at 30 June 2020 as recorded in the Funds' financial report and underlying accounting records to this report.



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### *Other information*

The directors of the Responsible Entity are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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### *Responsibilities of the directors of the Responsible Entity for the financial report*

The directors of the Responsible Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors of the Responsible Entity determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors of the Responsible Entity are responsible for assessing the ability of the Funds to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Responsible Entity either intends to liquidate the Funds or to cease operations, or have no realistic alternative but to do so.

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### *Auditor's responsibilities for the audit of the financial report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.



A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/admin/file/content102/c3/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf), for the listed funds and [http://www.auasb.gov.au/auditors\\_responsibilities/ar6.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar6.pdf), for the unlisted funds. These descriptions form part of our auditor's report.

*PricewaterhouseCoopers*

PricewaterhouseCoopers

*Britt Hawkins*

Britt Hawkins  
Partner

Melbourne  
9 September 2020

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### **Responsible Entity**

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