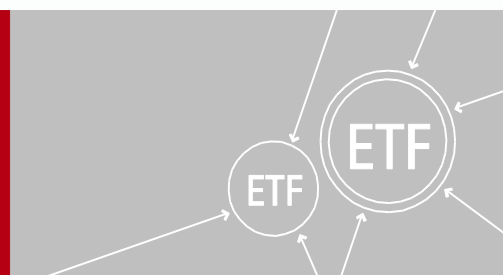


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Interim Report for the Vanguard® Exchange Traded Funds

9 March 2021



Vanguard Investments Australia Ltd announces the following:

ETF	ASX CODE	ANNOUNCEMENT
Vanguard MSCI Australian Large Companies Index ETF	VLC	Interim Report
Vanguard MSCI Australian Small Companies Index ETF	VSO	Interim Report
Vanguard Australian Property Securities Index ETF	VAP	Interim Report
Vanguard Australian Shares High Yield ETF	VHY	Interim Report
Vanguard Australian Shares Index ETF	VAS	Interim Report
Vanguard Ethically Conscious Australian Shares ETF	VETH	Interim Report

Vanguard has prepared an interim report for the half year ended 31 December 2020, for the Vanguard Wholesale Funds. 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 interim 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

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The funds or securities referred to herein are not sponsored, endorsed or promoted by MSCI and MSCI bears no liability with respect to any such funds or securities. The Product Disclosure Statement contains a more detailed description of the limited relationship MSCI has with The Vanguard Group and any related funds.

Vanguard Investments Australia Ltd, Level 13, 130 Lonsdale Street, Melbourne VIC 3000 vanguard.com.au 1300 655 888

Interim report for the half year ended 31 December 2020

Vanguard® Wholesale Australian Equities Funds and ETFs

2020-
2021

Vanguard Wholesale Australian Equities Funds and ETFs

	ASX CODE:		
Vanguard MSCI Australian Large Companies Index ETF	VLC	ARSN 147 936 105	ABN 17 468 108 459
Vanguard MSCI Australian Small Companies Index ETF	VSO	ARSN 147 936 570	ABN 73 969 263 897
Vanguard Australian Property Securities Index Fund	VAP	ARSN 090 939 549	ABN 27 186 332 271
Vanguard Australian Shares High Yield Fund	VHY	ARSN 091 751 807	ABN 61 324 061 551
Vanguard Australian Shares Index Fund	VAS	ARSN 090 939 718	ABN 65 759 271 740
Vanguard Ethically Conscious Australian Shares Fund	VETH	ARSN 632 655 620	ABN 30 223 971 715

* formerly known as Vanguard Cash Plus Fund.

Responsible Entity

Vanguard Investments Australia Ltd
ABN 72 072 881 086
AFSL 227263

Level 13
130 Lonsdale Street
Melbourne Vic 3000

Telephone: (03) 8888 3888
Facsimile: 1300 765 712

vanguard.com.au

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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 over AUD \$9.2 trillion in assets under management as of 31 December 2020, including more than AUD \$2 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 Australian Equities Funds and ETFs (the "Funds") for the half-year ended 31 December 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 half-year ended 31 December 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 seek to track the returns of the Funds' respective indices, before taking into account fees, expenses and tax.

The registration date of Vanguard Ethically Conscious Australian Shares Fund was 15 April 2019. The Fund remained dormant until the inception date which was 12 August 2020, the date on which the Fund commenced trading.

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 half-year.

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

Directors

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

J M Norris (Resigned 21 September 2020)

C Lui (Resigned 31 December 2020)

J Platt

F Kolimago

C McIsaac (Appointed 25 September 2020)

Review and results of operations

The Funds invest in listed equity securities, listed unit trusts, fixed interest securities, 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 MSCI Australian Large Companies Index ETF		Vanguard MSCI Australian Small Companies Index ETF		Vanguard Australian Property Securities Index Fund	
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	14,021	1,591	70,879	7,252	983,296	(26,899)
Distributions - Wholesale Class						
Distribution paid and payable (\$'000)	-	-	-	-	62,350	71,803
Distribution (cents per unit)	-	-	-	-	1.5519	1.8085
Distributions - ETF Class						
Distribution paid and payable (\$'000)	1,696	2,419	4,977	5,592	19,420	25,350
Distribution (cents per unit)	96.2711	169.6458	67.3805	89.8869	88.5466	138.8264

Directors' report (continued)

Review and results of operations (continued)

Results (continued)

	Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund		Vanguard Ethically Conscious Australian Shares Fund	
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	336,702	(8,628)	2,497,113	491,171	14,333	-
Distributions - Wholesale Class						
Distribution paid and payable (\$'000)	16,761	28,643	238,196	269,914	1,502	-
Distribution (cents per unit)	2.5221	4.2815	3.9633	5.0836	1.1012	-
Distributions - ETF Class						
Distribution paid and payable (\$'000)	26,467	37,001	80,587	92,171	138	-
Distribution (cents per unit)	99.8018	169.3465	100.2589	179.2326	31.4438	-

Significant changes in state of affairs

The Vanguard Ethically Conscious Australian Shares inception date was 12 August 2020. The Wholesale Class units commenced trading on 12 August 2020. The ETF Class units were listed and commenced trading on the ASX on 12 October 2020.

Jim Norris resigned as a Director of Vanguard Investments Australia Ltd on 21 September 2020.

Chris McIsaac was appointed as a Director of Vanguard Investments Australia Ltd on 25 September 2020.

Cynthia Lui resigned as a Director of Vanguard Investments Australia Ltd on 31 December 2020.

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 half-year.

Matters subsequent to the end of the half-year

No matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect:

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

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 4.

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



F Kolimago

Managing Director

Melbourne

4 March 2021



Auditor's Independence Declaration

- Vanguard MSCI Australian Large Companies Index ETF
- Vanguard MSCI Australian Small Companies Index ETF
- Vanguard Australian Property Securities Index Fund
- Vanguard Australian Shares High Yield Fund
- Vanguard Australian Shares Index Fund
- Vanguard Ethically Conscious Australian Shares Fund

referred to collectively as the Vanguard Wholesale Australian Equities Funds and ETFs.

As lead auditor for the review of the Vanguard Wholesale Australian Equities Funds and ETFs for the half-year ended 31 December 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 review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink, appearing to read 'Britt Hawkins'.

Britt Hawkins
Partner
PricewaterhouseCoopers

Melbourne
4 March 2021

Statements of comprehensive income

For the half-year ended 31 December 2020

	Notes	Vanguard MSCI Australian Large Companies Index ETF		Vanguard MSCI Australian Small Companies Index ETF		Vanguard Australian Property Securities Index Fund	
		31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment income							
Interest income		-	-	-	-	-	7
Dividend income		1,651	2,014	3,238	3,650	7	5,127
Distribution income		69	206	1,415	1,084	93,928	130,684
Net gains/(losses) on financial instruments at fair value through profit or loss		12,413	(529)	66,520	2,766	895,221	(153,960)
Other operating income		4	3	328	225	310	236
Total net investment income/(loss)		14,137	1,694	71,501	7,725	989,466	(17,906)
Expenses							
Responsible Entity's fees		111	99	596	447	5,969	6,808
Custody fees		4	2	18	14	20	14
Transaction costs		1	1	7	11	86	118
Other operating expenses		-	1	1	1	95	2,053
Total operating expenses		116	103	622	473	6,170	8,993
Operating profit/(loss)		14,021	1,591	70,879	7,252	983,296	(26,899)
Finance costs attributable to unitholders							
Distributions to unitholders	5	-	-	-	-	(81,770)	(97,153)
(Increase)/decrease in net assets attributable to unitholders	4	-	-	-	-	(901,526)	124,052
Profit/(loss) for the half-year		14,021	1,591	70,879	7,252	-	-
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the half-year		14,021	1,591	70,879	7,252	-	-

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

Statements of comprehensive income (continued)

For the half-year ended 31 December 2020

	Notes	Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund		Vanguard Ethically Conscious Australian Shares Fund	
		31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment income							
Interest income		-	-	-	51	-	-
Dividend income		42,222	54,692	232,774	299,977	1,409	-
Distribution income		2,712	4,930	35,478	46,152	288	-
Net gains/(losses) on financial instruments at fair value through profit or loss		294,917	(64,718)	2,238,471	155,811	12,759	-
Other operating income		379	28	4,561	2,359	17	-
Total net investment income/(loss)		340,230	(5,068)	2,511,284	504,350	14,473	-
Expenses							
Responsible Entity's fees		3,395	3,459	13,813	12,299	111	-
Custody fees		23	14	153	57	10	-
Transaction costs		91	70	182	402	19	-
Other operating expenses		19	17	23	421	-	-
Total operating expenses		3,528	3,560	14,171	13,179	140	-
Operating profit/(loss)		336,702	(8,628)	2,497,113	491,171	14,333	-
Finance costs attributable to unitholders							
Distributions to unitholders	5	(43,228)	(65,644)	(318,783)	(362,085)	(1,640)	-
(Increase)/decrease in net assets attributable to unitholders	4	(293,474)	74,272	(2,178,330)	(129,086)	(12,693)	-
Profit/(loss) for the half-year		-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the half-year		-	-	-	-	-	-

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

Balance sheets

As at 31 December 2020

	Notes	Vanguard MSCI Australian Large Companies Index ETF		Vanguard MSCI Australian Small Companies Index ETF		Vanguard Australian Property Securities Index Fund	
		31 Dec	30 Jun	31 Dec	30 Jun	31 Dec	30 Jun
		2020	2020	2020	2020	2020	2020
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets							
Cash and cash equivalents		590	314	4,776	1,006	8,840	-
Margin accounts		180	68	146	153	39	1,401
Receivables		4	3	29	17	1,574	2,284
Accrued income		69	214	1,037	1,431	77,368	65,575
Due from brokers - receivable for securities sold		364	-	3,946	16,221	-	54,742
Financial assets at fair value through profit or loss		117,394	105,073	454,282	347,628	5,643,191	4,685,002
Total assets		118,601	105,672	464,216	366,456	5,731,012	4,809,004
Liabilities							
Bank overdraft		-	-	-	-	-	15,333
Distribution payable	5	814	270	4,977	20,366	68,484	118,461
Payables		20	18	115	91	2,414	3,723
Due to brokers - payables for securities purchased		-	-	3,855	-	8,517	5,562
Financial liabilities at fair value through profit or loss		4	-	15	-	733	131
Total liabilities		838	288	8,962	20,457	80,148	143,210
Net assets attributable to unitholders (equity)	4	117,763	105,384	455,254	345,999	-	-
Net assets attributable to unitholders (liability)	4	-	-	-	-	5,650,864	4,665,794

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

Balance sheets (continued)

As at 31 December 2020

	Notes	Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund		Vanguard Ethically Conscious Australian Shares Fund	
		31 Dec	30 Jun	31 Dec	30 Jun	31 Dec	30 Jun
		2020	2020	2020	2020	2020	2020
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets							
Cash and cash equivalents		5,351	2,847	-	51,945	1,068	-
Margin accounts		354	702	9,619	8,456	217	-
Receivables		4,905	233	3,174	3,628	16	-
Accrued income		2,647	6,228	30,562	47,982	265	-
Due from brokers - receivable for securities sold		13,755	-	-	108	-	-
Financial assets at fair value through profit or loss		2,554,882	2,229,512	21,455,094	18,186,703	174,530	-
Total assets		2,581,894	2,239,522	21,498,449	18,298,822	176,096	-
Liabilities							
Bank overdraft		-	-	12,104	-	-	-
Distribution payable	5	18,820	9,547	152,516	49,424	1,100	-
Payables		1,466	954	84,803	100,428	29	-
Due to brokers - payables for securities purchased		4,694	-	-	434	-	-
Financial liabilities at fair value through profit or loss		50	-	236	-	6	-
Total liabilities		25,030	10,501	249,659	150,286	1,135	-
Net assets attributable to unitholders (liability)	4	2,556,864	2,229,021	21,248,790	18,148,536	174,961	-

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

Statements of changes in equity

For the half-year ended 31 December 2020

	Notes	Vanguard MSCI Australian Large Companies Index ETF		Vanguard MSCI Australian Small Companies Index ETF		Vanguard Australian Property Securities Index Fund	
		31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the half-year		105,384	91,600	345,999	249,823	-	-
Comprehensive income for the half-year							
Profit/(loss) for the half-year		14,021	1,591	70,879	7,252	-	-
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the half-year		14,021	1,591	70,879	7,252	-	-
Transactions with unitholders							
Applications		3,643	19,157	44,823	111,877	-	-
Redemptions		(3,681)	(7,021)	(4,498)	(4,680)	-	-
Units issued upon reinvestment of distributions		92	147	3,028	659	-	-
Distributions paid and payable	5	(1,696)	(2,419)	(4,977)	(5,592)	-	-
Total transactions with unitholders		(1,642)	9,864	38,376	102,264	-	-
Total equity at the end of the half-year		117,763	103,055	455,254	359,339	-	-

	Notes	Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund		Vanguard Ethically Conscious Australian Shares Fund	
		31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the half-year		-	-	-	-	-	-
Comprehensive income for the half-year							
Profit/(loss) for the half-year		-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the half-year		-	-	-	-	-	-
Transactions with unitholders							
Applications		-	-	-	-	-	-
Redemptions		-	-	-	-	-	-
Units issued upon reinvestment of distributions		-	-	-	-	-	-
Distributions paid and payable	5	-	-	-	-	-	-
Total transactions with unitholders		-	-	-	-	-	-
Total equity at the end of the half-year		-	-	-	-	-	-

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

Statements of cash flows

For the half-year ended 31 December 2020

	Vanguard MSCI Australian Large Companies Index ETF		Vanguard MSCI Australian Small Companies Index ETF		Vanguard Australian Property Securities Index Fund	
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Notes						
Cash flows from operating activities						
Proceeds from sale of financial instruments at fair value through profit or loss	7,562	8,976	45,319	41,229	310,701	196,014
Purchases of financial instruments at fair value through profit or loss	(7,942)	(20,469)	(69,301)	(149,065)	(313,987)	(665,010)
Transaction costs on purchases of financial instruments at fair value through profit or loss	(1)	(1)	(7)	(11)	(86)	(118)
Interest received	-	-	-	-	-	7
Dividends received	1,792	2,245	3,809	3,678	29	6,252
Distributions received	73	186	1,238	847	82,135	121,811
Other income received	4	3	328	225	310	236
Responsible Entity's fees paid	(109)	(110)	(572)	(415)	(5,788)	(6,682)
Operating expenses paid	(5)	(5)	(31)	(15)	(152)	(2,115)
Net cash inflow/(outflow) from operating activities	1,374	(9,175)	(19,217)	(103,527)	73,162	(349,605)
Cash flows from financing activities						
Proceeds from applications by unitholders	3,643	19,157	44,823	111,877	520,361	810,980
Payments for redemptions by unitholders	(3,681)	(7,021)	(4,498)	(4,680)	(473,621)	(327,086)
Distributions paid from operating activities	(1,060)	(2,106)	(17,338)	(3,417)	(95,708)	(142,531)
Net cash inflow/(outflow) from financing activities	(1,098)	10,030	22,987	103,780	(48,968)	341,363
Net increase/(decrease) in cash and cash equivalents	276	855	3,770	253	24,194	(8,242)
Cash and cash equivalents at the beginning of the half-year	314	(31)	1,006	(80)	(15,333)	10,826
Effects of foreign currency exchange rate changes on cash and cash equivalents	-	-	-	-	(21)	(57)
Cash and cash equivalents at the end of the half-year	590	824	4,776	173	8,840	2,527
Non-cash financing activities	92	147	3,028	659	36,039	68,914

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

Statements of cash flows (continued)

For the half-year ended 31 December 2020

	Notes	Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund		Vanguard Ethically Conscious Australian Shares Fund	
		31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities							
Proceeds from sale of financial instruments at fair value through profit or loss		223,001	159,384	596,308	280,035	7,669	-
Purchases of financial instruments at fair value through profit or loss		(262,117)	(363,730)	(1,627,476)	(2,213,386)	(169,651)	-
Transaction costs on purchases of financial instruments at fair value through profit or loss		(91)	(70)	(182)	(402)	(19)	-
Interest received		-	-	-	51	-	-
Dividends received		45,710	56,271	254,821	353,103	1,388	-
Distributions received		2,805	4,963	30,856	42,155	44	-
Other income received		390	28	4,585	2,360	17	-
Responsible Entity's fees paid		(3,292)	(3,987)	(13,367)	(12,240)	(82)	-
Operating expenses paid		(42)	(59)	(177)	(474)	(15)	-
Net cash inflow/(outflow) from operating activities		6,364	(147,200)	(754,632)	(1,548,798)	(160,649)	-
Cash flows from financing activities							
Proceeds from applications by unitholders		145,468	279,850	2,562,642	2,492,584	161,740	-
Payments for redemptions by unitholders		(122,896)	(78,258)	(1,765,195)	(762,320)	(13)	-
Distributions paid from operating activities		(26,432)	(50,628)	(106,859)	(180,994)	(10)	-
Net cash inflow/(outflow) from financing activities		(3,860)	150,964	690,588	1,549,270	161,717	-
Net increase/(decrease) in cash and cash equivalents		2,504	3,764	(64,044)	472	1,068	-
Cash and cash equivalents at the beginning of the half-year		2,847	4,081	51,945	14,504	-	-
Effects of foreign currency exchange rate changes on cash and cash equivalents		-	-	(5)	(4)	-	-
Cash and cash equivalents at the end of the half-year		5,351	7,845	(12,104)	14,972	1,068	-
Non-cash financing activities		7,523	17,327	108,832	183,531	530	-

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

Notes to the financial statements

For the half-year ended 31 December 2020

1 General information

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

- Vanguard MSCI Australian Large Companies Index ETF 17 December 2010
- Vanguard MSCI Australian Small Companies Index ETF 17 December 2010
- Vanguard Australian Property Securities Index Fund 6 December 1996
- Vanguard Australian Shares High Yield Fund 21 February 2000
- Vanguard Australian Shares Index Fund 6 December 1996
- Vanguard Ethically Conscious Australian Shares Fund 1 April 2019

The Responsible Entity of the Vanguard Wholesale Australian Equities Funds 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 seek to track the returns of the Funds’ respective indices, before taking into account fees, expenses and tax.

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

The registration date of Vanguard Ethically Conscious Australian Shares Fund was 15 April 2019. The Fund remained dormant until the inception date which was 12 August 2020, the date on which the Fund commenced trading.

The financial statements were authorised for issue by the directors on 4 March 2021. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

2 Basis of preparation of interim report

These interim general purpose financial statements for the half-year ended 31 December 2020 have been prepared in accordance with accounting standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The Funds are for-profit unit trusts for the purpose of preparing the financial statements.

This interim financial report does not include all the notes of the type normally included in an annual report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made in the respect of the Funds during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding half-year reporting period.

New accounting standards or amendments adopted by the Funds

There are no new standards, interpretations or amendments to existing standards that are effective for the first time for the half-year beginning 1 July 2020 that would be expected to have a material impact on the Funds.

Notes to the financial statements (continued)

For the half-year ended 31 December 2020

3 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)
- Derivative financial instruments

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:

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

(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 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 half-year ended 31 December 2020

3 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 31 December 2020 and 30 June 2020.

Vanguard MSCI Australian Large Companies Index ETF								
	31 Dec 2020				30 Jun 2020			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss								
Derivatives	-	-	-	-	2	-	-	2
Equity securities	108,486	-	-	108,486	96,945	-	-	96,945
Listed unit trusts	8,908	-	-	8,908	8,126	-	-	8,126
Total	117,394	-	-	117,394	105,073	-	-	105,073
Financial liabilities at fair value through profit or loss								
Derivatives	4	-	-	4	-	-	-	-
Total	4	-	-	4	-	-	-	-

Vanguard MSCI Australian Small Companies Index ETF								
	31 Dec 2020				30 Jun 2020			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss								
Derivatives	-	-	-	-	19	-	-	19
Equity securities	395,298	-	520	395,818	299,429	520	-	299,949
Listed unit trusts	58,464	-	-	58,464	47,660	-	-	47,660
Total	453,762	-	520	454,282	347,108	520	-	347,628
Financial liabilities at fair value through profit or loss								
Derivatives	15	-	-	15	-	-	-	-
Total	15	-	-	15	-	-	-	-

Vanguard Australian Property Securities Index Fund								
	31 Dec 2020				30 Jun 2020			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss								
Equity securities	47,697	-	-	47,697	46,749	-	-	46,749
Listed unit trusts	5,582,494	-	-	5,582,494	4,638,253	-	-	4,638,253
Fixed interest securities*	-	13,000	-	13,000	-	-	-	-
Total	5,630,191	13,000	-	5,643,191	4,685,002	-	-	4,685,002
Financial liabilities at fair value through profit or loss								
Derivatives	733	-	-	733	131	-	-	131
Total	733	-	-	733	131	-	-	131

*Reverse repurchase agreements are used to manage the Funds' liquidity and collateral requirements whilst preserving capital

Notes to the financial statements (continued)

For the half-year ended 31 December 2020

3 Fair value measurement (continued)

Recognised fair value measurements (continued)

Vanguard Australian Shares High Yield Fund								
	31 Dec 2020				30 Jun 2020			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss								
Equity securities	2,368,712	-	-	2,368,712	2,019,861	-	-	2,019,861
Listed unit trusts	186,170	-	-	186,170	209,651	-	-	209,651
Total	2,554,882	-	-	2,554,882	2,229,512	-	-	2,229,512
Financial liabilities at fair value through profit or loss								
Derivatives	50	-	-	50	-	-	-	-
Total	50	-	-	50	-	-	-	-

Vanguard Australian Shares Index Fund								
	31 Dec 2020				30 Jun 2020			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss								
Derivatives	-	-	-	-	520	-	-	520
Equity securities	18,926,041	-	9,484	18,935,525	16,090,844	9,115	-	16,099,959
Listed unit trusts	2,364,069	-	-	2,364,069	2,038,025	-	-	2,038,025
Fixed interest securities*	-	155,500	-	155,500	-	48,199	-	48,199
Total	21,290,110	155,500	9,484	21,455,094	18,129,389	57,314	-	18,186,703
Financial liabilities at fair value through profit or loss								
Derivatives	236	-	-	236	-	-	-	-
Total	236	-	-	236	-	-	-	-

*Reverse repurchase agreements are used to manage the Funds' liquidity and collateral requirements whilst preserving capital

Vanguard Ethically Conscious Australian Shares Fund								
	31 Dec 2020				30 Jun 2020			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss								
Equity securities	151,434	-	-	151,434	-	-	-	-
Listed unit trusts	23,096	-	-	23,096	-	-	-	-
Total	174,530	-	-	174,530	-	-	-	-
Financial liabilities at fair value through profit or loss								
Derivatives	6	-	-	6	-	-	-	-
Total	6	-	-	6	-	-	-	-

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

Notes to the financial statements (continued)

For the half-year ended 31 December 2020

3 Fair value measurement (continued)

Transfers between levels

The following table presents the transfers between levels during the half-year ended 31 December 2020 and 30 June 2020:

	Vanguard MSCI Australian Small Companies Index ETF			Vanguard Australian Shares Index Fund		
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
31 Dec 2020						
Transfers between level 1 and 3:						
Equity securities	-	-	-	(2,111)	-	2,111
Transfers between level 2 and 3:						
Equity securities	-	(520)	520	-	(7,373)	7,373
30 Jun 2020						
Transfers between level 1 and 2:						
Equity securities	(520)	520	-	(5,835)	5,835	-

The equity securities transferred into level 2 relates to the frequency of quoted price valuations. Equity securities were classified as level 3 as they are infrequently traded, or have stale price. There were no transfers out of level 3 during the reporting period.

Valuation processes

Portfolio reviews are undertaken regularly by management to identify securities that potentially may not be actively traded or have stale security pricing. This process identifies securities which possibly could be regarded as being level 3 securities.

Further analysis, should it be required, is undertaken to determine the accounting significance of the identification. For certain security types, in selecting the most appropriate valuation model, management performs back testing and considers actual market transactions. Changes in allocation to or from level 3 are analysed at the end of each reporting period.

4 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.

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

	Vanguard MSCI Australian Large Companies Index ETF				Vanguard MSCI Australian Small Companies Index ETF			
	31 Dec 2020 No. '000	31 Dec 2019 No. '000	31 Dec 2020 \$'000	31 Dec 2019 \$'000	31 Dec 2020 No. '000	31 Dec 2019 No. '000	31 Dec 2020 \$'000	31 Dec 2019 \$'000
Balance as at 1 July	1,760	1,336	105,384	91,600	6,525	4,321	345,999	249,823
Applications	60	280	3,643	19,157	740	1,880	44,823	111,877
Redemptions	(60)	(100)	(3,681)	(7,021)	(80)	(80)	(4,498)	(4,680)
Units issued upon reinvestment of distributions	2	2	92	147	57	11	3,028	659
Distributions paid and payable	-	-	(1,696)	(2,419)	-	-	(4,977)	(5,592)
Profit/(loss) for the half-year	-	-	14,021	1,591	-	-	70,879	7,252
Closing balance as at 31 December	1,762	1,518	117,763	103,055	7,242	6,132	455,254	359,339

Notes to the financial statements (continued)

For the half-year ended 31 December 2020

4 Net assets attributable to unitholders (continued)

Vanguard Australian Property Securities Index Fund								
	Wholesale Class				ETF Class			
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	3,943,155	3,781,814	3,149,160	4,058,221	22,160	15,524	1,516,634	1,391,899
Applications	469,333	450,844	418,104	495,477	1,300	3,460	101,531	316,465
Redemptions	(418,428)	(295,486)	(365,274)	(324,083)	(1,460)	-	(106,856)	-
Units issued upon reinvestment of distributions	42,620	59,469	34,328	63,922	25	56	1,711	4,992
Increase/(decrease) in net assets attributable to unitholders	-	-	607,229	(87,209)	-	-	294,297	(36,843)
Closing balance as at 31 December	4,036,680	3,996,641	3,843,547	4,206,328	22,025	19,040	1,807,317	1,676,513

Vanguard Australian Shares High Yield Fund								
	Wholesale Class				ETF Class			
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	680,238	652,790	891,455	1,023,809	26,001	19,788	1,337,566	1,217,630
Applications	70,227	61,753	97,962	95,444	960	3,040	52,189	184,235
Redemptions	(86,700)	(49,603)	(118,013)	(77,009)	(100)	-	(5,292)	-
Units issued upon reinvestment of distributions	4,293	8,876	5,488	13,875	40	57	2,035	3,452
Increase/(decrease) in net assets attributable to unitholders	-	-	113,688	(32,850)	-	-	179,786	(41,422)
Closing balance as at 31 December	668,058	673,816	990,580	1,023,269	26,901	22,885	1,566,284	1,363,895

Vanguard Australian Shares Index Fund								
	Wholesale Class				ETF Class			
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	5,978,546	4,985,861	12,610,902	11,782,480	74,076	45,919	5,537,634	3,841,137
Applications	766,431	736,262	1,700,777	1,763,791	10,760	8,660	861,440	735,509
Redemptions	(781,348)	(281,614)	(1,735,395)	(676,634)	(180)	(720)	(13,730)	(60,659)
Units issued upon reinvestment of distributions	47,179	71,578	98,779	170,479	136	155	10,053	13,052
Increase/(decrease) in net assets attributable to unitholders	-	-	1,466,162	98,940	-	-	712,168	30,146
Closing balance as at 31 December	6,010,808	5,512,087	14,141,225	13,139,056	84,792	54,014	7,107,565	4,559,185

Vanguard Ethically Conscious Australian Shares Fund								
	Wholesale Class				ETF Class			
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	-	-	-	-	-	-	-	-
Applications	138,948	-	139,328	-	440	-	22,423	-
Redemptions	(5)	-	(13)	-	-	-	-	-
Units issued upon reinvestment of distributions	545	-	530	-	-	-	-	-
Increase/(decrease) in net assets attributable to unitholders	-	-	11,870	-	-	-	823	-
Closing balance as at 31 December	139,488	-	151,715	-	440	-	23,246	-

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 MSCI Australian Large Companies Index ETF and Vanguard MSCI Australian Small Companies Index ETF have no separate classes of units and each unit has the same rights attaching to it as all other units of the Funds.

Notes to the financial statements (continued)

For the half-year ended 31 December 2020

4 Net assets attributable to unitholders (continued)

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.

5 Distributions to unitholders paid and payable

The distributions during the half-year were as follows:

	Vanguard MSCI Australian Large Companies Index ETF				Vanguard MSCI Australian Small Companies Index ETF			
	31 Dec 2020		31 Dec 2019		31 Dec 2020		31 Dec 2019	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	882	50.7914	1,517	110.7185	-	-	-	-
Distributions payable								
- 31 December	814	45.4797	902	58.9273	4,977	67.3805	5,592	89.8869
	1,696	96.2711	2,419	169.6458	4,977	67.3805	5,592	89.8869

	Vanguard Australian Property Securities Index Fund Wholesale Class				Vanguard Australian Property Securities Index Fund ETF Class			
	31 Dec 2020		31 Dec 2019		31 Dec 2020		31 Dec 2019	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	10,753	0.2737	27,536	0.7009	2,533	13.2610	8,417	51.3396
Distributions payable								
- 31 December	51,597	1.2782	44,267	1.1076	16,887	75.2856	16,933	87.4868
	62,350	1.5519	71,803	1.8085	19,420	88.5466	25,350	138.8264

	Vanguard Australian Shares High Yield Fund Wholesale Class				Vanguard Australian Shares High Yield Fund ETF Class			
	31 Dec 2020		31 Dec 2019		31 Dec 2020		31 Dec 2019	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	9,601	1.4504	17,539	2.6336	14,807	56.9043	21,852	103.5516
Distributions payable								
- 31 December	7,160	1.0717	11,104	1.6479	11,660	42.8975	15,149	65.7949
	16,761	2.5221	28,643	4.2815	26,467	99.8018	37,001	169.3465

Notes to the financial statements (continued)

For the half-year ended 31 December 2020

5 Distributions to unitholders paid and payable (continued)

	Vanguard Australian Shares Index Fund							
	Wholesale Class				ETF Class			
	31 Dec 2020 \$'000	CPU	31 Dec 2019 \$'000	CPU	31 Dec 2020 \$'000	CPU	31 Dec 2019 \$'000	CPU
Distributions paid								
- 30 September	123,713	2.0587	159,000	3.0714	42,554	56.8418	52,569	107.0957
Distributions payable								
- 31 December	114,483	1.9046	110,914	2.0122	38,033	43.4171	39,602	72.1369
	238,196	3.9633	269,914	5.0836	80,587	100.2589	92,171	179.2326

	Vanguard Ethically Conscious Australian Shares Fund							
	Wholesale Class				ETF Class			
	31 Dec 2020 \$'000	CPU	31 Dec 2019 \$'000	CPU	31 Dec 2020 \$'000	CPU	31 Dec 2019 \$'000	CPU
Distributions paid								
- 30 September	540	0.4115	-	-	-	-	-	-
Distributions payable								
- 31 December	962	0.6897	-	-	138	31.4438	-	-
	1,502	1.1012	-	-	138	31.4438	-	-

6 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 31 December 2020 or on the results and cash flows of the Funds for the half-year ended on that date.

7 Contingent assets, contingent liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 31 December 2020 (30 June 2020: Nil).

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 5 to 19 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 31 December 2020 and of their performance, as represented by the results of their operations for the half-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.

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



F Kolimago
Managing Director
Melbourne
4 March 2021



Independent auditor's review report

To the unitholders of:

- Vanguard MSCI Australian Large Companies Index ETF
- Vanguard MSCI Australian Small Companies Index ETF
- Vanguard Australian Property Securities Index Fund
- Vanguard Australian Shares High Yield Fund
- Vanguard Australian Shares Index Fund
- Vanguard Ethically Conscious Australian Shares Fund

referred to collectively as the Vanguard Wholesale Australian Equities Funds and ETFs.

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of the Vanguard Wholesale Australian Equities Funds and ETFs (the Funds) which comprises the balance sheets as at 31 December 2020, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the half-year ended on that date, significant accounting policies and explanatory notes and the directors of the Responsible Entity' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Vanguard Wholesale Australian Equities Funds and ETFs does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Funds' financial positions as at 31 December 2020 and of their performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

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 & 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

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Responsibility of the directors of the Responsible Entity for the half-year financial report

The directors of the Responsible Entity are responsible for the preparation of the half-year 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 determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

Auditor's responsibility for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Funds' financial positions as at 31 December 2020 and of their performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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PricewaterhouseCoopers

Britt Hawkins

Britt Hawkins
Partner

Melbourne
4 March 2021

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Responsible Entity

Vanguard Investments Australia Ltd
ABN 72 072 881 086
AFSL 227263

Level 13
130 Lonsdale Street
Melbourne Vic 3000

Telephone: (03) 8888 3888
Facsimile: 1300 765 712

vanguard.com.au