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Annual Report

for the Vanguard® Exchange Traded Funds

15 September 2023

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	VGE	Annual Report
Vanguard Global Value Equity Active ETF (Managed Fund)	VVLU	Annual Report
Vanguard Global Infrastructure Index ETF	VBLD	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 2023, 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

Past performance information is given for illustrative purposes only and should not be relied upon as, and is not, an indication of future performance. In preparing the information, individual circumstances, for example tax implications, have not been taken into account and it may, therefore, not be applicable to an individual's situation. Before making an investment decision, you should consider your circumstances and whether the above information is applicable to your situation.

© 2023 Vanguard Investments Australia Ltd (ABN 72 072 881 086 / AFS Licence 227263) ("Vanguard") is the issuer of the Vanguard® Australian ETFs.

Vanguard ETFs will only be issued to Authorised Participants. That is, persons who have entered into an Authorised Participant Agreement with Vanguard ("Eligible Investors"). Retail investors can transact in Vanguard ETFs through Vanguard Personal Investor, a stockbroker or financial adviser on the secondary market.

Investors should consider the Prospectus or Product Disclosure Statement ("PDS") in deciding whether to acquire Vanguard ETFs. Retail investors can only use the Prospectus or PDS for informational purposes. A copy of the Target Market Determinations (TMD) for Vanguard's financial products can be obtained at vanguard.com.au free of charge and include a description of who the financial product is appropriate for. You should refer to the TMD of these Fund before making any investment decisions. You can access our disclosure documents at vanguard.com.au or by calling 1300 655 101. This publication was prepared in good faith and we accept no liability for any errors or omissions.

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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.

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Annual report | 30 June 2023

Vanguard Wholesale International Equities Funds (Unhedged) and ETFs

Responsible Entity

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Vanguard Wholesale International Equities Funds (Unhedged) and ETFs

Fund	ASX	ARSN	ABN
Vanguard FTSE Asia ex Japan Shares Index ETF	VAE	606 451 110	50 411 576 623
Vanguard Emerging Markets Shares Index Fund	-	090 939 450	63 171 298 643
Vanguard FTSE Europe Shares ETF	VEQ	606 480 086	30 252 933 265
Vanguard FTSE Emerging Markets Shares ETF	VGE	147 937 906	91 542 729 566
Vanguard International Property Securities Index Fund	-	115 001 002	97 674 886 440
Vanguard Global Value Equity Fund	VVLU	613 053 062	71 928 129 734
Vanguard Global Infrastructure Index Fund	VBLD	128 385 277	82 191 294 545
Vanguard International Shares Index Fund	VGS	090 939 610	56 291 101 711
Vanguard International Small Companies Index Fund	VISM	127 015 472	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 over AUD \$12 trillion in assets under management globally as of 30 June 2023, including over AUD \$3.4 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 over 25 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 45+ 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 2023 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 2023.

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) 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.

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:

Daniel Shrimski

John Bendl

Curt Jacques

Kim Petersen

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 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	5,863	(71,229)	72,391	(356,685)	47,116	(39,290)	24,501	(98,721)
Distributions - Wholesale Class								
Distribution paid and payable (\$'000)	-	-	45,305	34,490	-	-	-	-
Distribution (cents per unit)	-	-	5.3539	4.4177	-	-	-	-
Distributions - ETF Class								
Distribution paid and payable (\$'000)	7,735	6,852	-	-	5,939	8,844	17,512	14,357
Distribution (cents per unit)	155.7344	133.3281	-	-	157.8003	178.7344	179.3715	163.3019

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 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	(34,784)	(102,711)	127,790	(33,160)	(2,328)	156,419
Distributions - Wholesale Class						
Distribution paid and payable (\$'000)	63,982	197,517	5,284	3,357	39,520	71,473
Distribution (cents per unit)	3.3460	10.2220	4.8956	5.9765	3.8857	7.8377
Distributions - ETF Class						
Distribution paid and payable (\$'000)	-	-	33,514	16,254	7,842	5,819
Distribution (cents per unit)	-	-	285.8591	213.5168	143.3780	138.0269

	Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund			
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022		
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)			5,980,283	(1,922,984)	291,514	(295,778)
Distributions - Wholesale Class						
Distribution paid and payable (\$'000)			864,244	802,602	65,580	87,574
Distribution (cents per unit)			10.7993	10.3303	6.6582	9.6340
Distributions - ETF Class						
Distribution paid and payable (\$'000)			111,068	80,064	9,001	9,876
Distribution (cents per unit)			199.2577	172.9819	209.9146	306.5812
Distributions - B Class						
Distribution paid and payable (\$'000)			43,937	30,400	-	-
Distribution (cents per unit)			202.2167	168.7750	-	-

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 2023 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.

	2023 %	2022 %	2021 %	2020 %	2019 %
Vanguard FTSE Asia Ex Japan Shares Index ETF					
Capital growth	(0.51)	(18.27)	25.94	0.22	2.47
Distribution of income	2.45	1.48	2.17	2.83	2.25
Total return	1.94	(16.79)	28.11	3.05	4.72
Benchmark					
<i>FTSE Asia Pacific ex Japan, Australia and New Zealand Index (with net dividends reinvested) in AUD</i>	2.52	(16.60)	29.07	3.50	5.06
	2023 %	2022 %	2021 %	2020 %	2019 %
Vanguard Emerging Markets Shares Index Fund					
Capital growth	1.50	(20.41)	24.69	(6.94)	2.67
Distribution of income	2.86	1.59	3.63	4.96	3.42
Total return	4.36	(18.82)	28.32	(1.98)	6.09
Benchmark					
<i>MSCI Emerging Markets Index (with net dividends reinvested) in AUD</i>	5.11	(18.43)	29.22	(1.53)	6.56

Directors' report (continued)

Review and results of operations (continued)

Performance (continued)

	2023 %	2022 %	2021 %	2020 %	2019 %
Vanguard FTSE Europe Shares ETF					
Capital growth	20.69	(14.27)	22.49	(7.14)	2.88
Distribution of income	3.09	2.60	2.60	2.33	2.83
Total return	23.78	(11.67)	25.09	(4.81)	5.71
Benchmark					
<i>FTSE Developed Europe All Cap Index (with net dividends reinvested) in AUD</i>	25.13	(11.40)	25.79	(4.65)	6.53
Vanguard FTSE Emerging Markets Shares ETF					
Capital growth	0.77	(16.34)	25.41	(5.64)	5.89
Distribution of income	2.86	1.89	2.26	2.76	2.31
Total return	3.63	(14.45)	27.67	(2.88)	8.20
Benchmark					
<i>FTSE Emerging Markets All Cap China A Inclusion Index (with net dividends reinvested) in AUD</i>	4.78	(14.05)	27.92	(1.33)	8.41
Vanguard International Property Securities Index Fund					
Capital growth	(4.75)	(13.63)	20.17	(17.68)	7.99
Distribution of income	3.43	8.11	3.48	4.36	5.69
Total return	(1.32)	(5.52)	23.65	(13.32)	13.68
Benchmark					
<i>FTSE EPRA/NAREIT Developed ex-Australia Rental index (with net dividends reinvested) in AUD</i>	(1.54)	(5.54)	23.33	(13.44)	13.46
Vanguard Global Value Equity Fund - Wholesale Class					
Capital growth	13.79	(5.28)	47.58	(20.75)	(5.41)
Distribution of income	4.17	4.43	2.02	3.23	3.52
Total return	17.96	(0.85)	49.60	(17.52)	(1.89)
Benchmark					
<i>FTSE Developed All-Cap Index in AUD</i>	21.70	(7.92)	28.95	3.88	10.47
Vanguard Global Value Equity Fund - ETF Class					
Capital growth	12.59	(4.36)	47.61	(19.54)	(4.21)
Distribution of income	5.46	3.59	2.10	2.08	2.38
Total return	18.05	(0.77)	49.71	(17.46)	(1.83)
Benchmark					
<i>FTSE Developed All-Cap Index in AUD</i>	21.70	(7.92)	28.95	3.88	10.47
Vanguard Global Infrastructure Index Fund - Wholesale Class					
Capital growth	(2.69)	6.00	5.86	(11.33)	17.26
Distribution of income	3.02	6.50	3.63	8.63	4.48
Total return	0.33	12.50	9.49	(2.70)	21.74
Benchmark					
<i>FTSE Developed Core Infrastructure Index (with net dividends reinvested) in AUD</i>	0.33	12.56	9.50	(2.69)	21.76

Directors' report (continued)

Review and results of operations (continued)

Performance (continued)

	2023 %	2022 %	2021 %	2020 %	2019 %
Vanguard Global Infrastructure Index Fund - ETF Class					
Capital growth	(1.94)	10.06	6.65	(5.49)	13.99
Distribution of income	2.29	2.46	2.87	2.82	1.62
Total return	0.35	12.52	9.52	(2.67)	15.61
Benchmark					
<i>FTSE Developed Core Infrastructure Index (with net dividends reinvested) in AUD</i>	0.33	12.56	9.50	(2.69)	21.76
	2023 %	2022 %	2021 %	2020 %	2019 %
Vanguard International Shares Index Fund - Wholesale Class					
Capital growth	18.10	(9.98)	21.21	(0.81)	6.47
Distribution of income	4.58	3.52	6.36	6.05	5.63
Total return	22.68	(6.46)	27.57	5.24	12.10
Benchmark					
<i>MSCI World ex-Australia Index (with net dividends reinvested) in AUD</i>	22.59	(6.52)	27.50	5.18	11.95
	2023 %	2022 %	2021 %	2020 %	2019 %
Vanguard International Shares Index Fund - ETF Class					
Capital growth	20.25	(8.12)	24.90	2.67	9.16
Distribution of income	2.43	1.66	2.67	2.57	2.94
Total return	22.68	(6.46)	27.57	5.24	12.10
Benchmark					
<i>MSCI World ex-Australia Index (with net dividends reinvested) in AUD</i>	22.59	(6.52)	27.50	5.18	11.95
	2023 %	2022 %	2021 %	2020 %	2019 %
Vanguard International Shares Index Fund - B Class					
Capital growth	20.15	(8.13)	24.87	0.63	9.11
Distribution of income	2.53	1.66	2.70	4.61	2.99
Total return	22.68	(6.47)	27.57	5.24	12.10
Benchmark					
<i>MSCI World ex-Australia Index (with net dividends reinvested) in AUD</i>	22.59	(6.52)	27.50	5.18	11.95
	2023 %	2022 %	2021 %	2020 %	2019 %
Vanguard International Small Companies Index Fund - Wholesale Class					
Capital growth	12.41	(19.42)	29.75	(9.02)	(2.85)
Distribution of income	4.54	4.56	10.43	5.30	5.12
Total return	16.95	(14.86)	40.18	(3.72)	2.27
Benchmark					
<i>MSCI World ex-Australia Small Cap Index (with net dividends reinvested) in AUD</i>	16.83	(14.86)	40.45	(3.43)	2.36
	2023 %	2022 %	2021 %	2020 %	2019 %
Vanguard International Small Companies Index Fund - ETF Class					
Capital growth	12.62	(19.28)	32.83	(7.63)	2.81
Distribution of income	4.38	4.47	7.44	3.98	4.07
Total return	17.00	(14.81)	40.27	(3.65)	6.88
Benchmark					
<i>MSCI World ex-Australia Small Cap Index (with net dividends reinvested) in AUD</i>	16.83	(14.86)	40.45	(3.43)	2.36

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

Directors' report (continued)

Unit redemption prices

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

	At 30 June		Period high		Period low	
	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$
Vanguard FTSE Asia ex Japan Shares Index ETF	67.9346	68.2007	69.0435	82.5330	58.1154	64.7749
Vanguard Emerging Markets Shares Index Fund	2.0333	1.9998	2.0536	2.4782	1.7813	1.9415
Vanguard FTSE Europe Shares ETF	66.9934	55.6100	68.4020	68.7865	50.3360	53.9024
Vanguard FTSE Emerging Markets Shares ETF	67.7525	67.3542	68.0262	79.9506	61.0883	64.3282
Vanguard International Property Securities Index Fund	0.9561	1.0317	1.0858	1.3083	0.8946	0.9915
Vanguard Global Value Equity Fund - Wholesale Class	1.4152	1.2333	1.4459	1.4301	1.2020	1.2258
Vanguard Global Value Equity Fund - ETF Class	63.0090	54.9853	64.3921	63.5661	53.6343	54.6461
Vanguard Global Infrastructure Index Fund - Wholesale Class	1.2717	1.3225	1.4111	1.3725	1.2121	1.2348
Vanguard Global Infrastructure Index Fund - ETF Class	62.4685	63.5075	68.8588	65.9109	59.3531	58.0456
Vanguard International Shares Index Fund - Wholesale Class	3.0103	2.5495	3.0103	3.0983	2.5051	2.4619
Vanguard International Shares Index Fund - ETF Class	107.1173	88.7015	107.1173	107.2408	88.4670	85.6043
Vanguard International Shares Index Fund - B Class	104.2060	86.3110	104.2060	104.3423	86.0801	83.2981
Vanguard International Small Companies Index Fund - Wholesale Class	1.7773	1.6055	1.7885	2.0762	1.5598	1.5561
Vanguard International Small Companies Index Fund - ETF Class	57.9549	52.1909	58.3233	67.5820	50.8187	50.6455

Significant changes in state of affairs

Significant market disruptions, such as those caused by pandemics (e.g., COVID-19 pandemic), natural or environmental disasters, war (e.g., Russia's invasion of Ukraine), acts of terrorism, or other events, can adversely affect local and global markets and normal market operations. Any such disruptions could have an adverse impact on the value of the Fund's investments and fund performance.

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 2023 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.

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 15 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 15 of the financial statements.

Directors' report (continued)

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 *Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191*, unless otherwise indicated.

Additional disclosure

The relief available in *ASIC Corporations (Related Scheme Reports) Instrument 2015/839* has been applied in the directors' report and the financial report, combining information related to multiple Funds. In accordance with that, information related to each included Fund has been readily identified and amounts for each included Fund is presented in the adjacent columns in this report.

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 8.

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



Daniel Shrimski
Managing Director, Vanguard Investments Australia Ltd
Melbourne
13 September 2023



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 International Shares Index Fund*
- Vanguard International Small Companies Index Fund*

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

*denotes listed Funds

As lead auditor for the audit of the Vanguard Wholesale International Equities Funds (Unhedged) and ETFs for the year ended 30 June 2023, 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 black ink, appearing to read 'Adrian Gut', with a small flourish at the end.

Adrian Gut
Partner
PricewaterhouseCoopers

Melbourne
13 September 2023

Statements of comprehensive income

For the year ended 30 June 2023

	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 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000
Investment income									
Interest income		27	-	160	-	4	1	22	-
Dividend income		9,728	9,480	58,610	52,750	-	-	-	-
Distribution income		169	155	474	353	7,911	11,109	22,675	18,835
Net gains/(losses) on financial instruments at fair value through profit or loss	5	(1,260)	(78,288)	29,225	(393,785)	41,026	(47,975)	7,743	(112,302)
Other operating income		161	219	185	246	16	44	34	32
Total net investment income/(loss)		8,825	(68,434)	88,654	(340,436)	48,957	(36,821)	30,474	(93,435)
Expenses									
Responsible Entity's fees	16	1,344	1,526	9,416	9,707	649	795	2,561	2,452
Custody fees		22	49	56	113	2	3	2	3
Transaction costs		136	129	398	741	3	5	9	6
Withholding tax expense		1,151	1,050	6,218	5,352	1,187	1,666	3,401	2,825
Other operating expenses		309	41	175	336	-	-	-	-
Total operating expenses		2,962	2,795	16,263	16,249	1,841	2,469	5,973	5,286
Operating profit/(loss)		5,863	(71,229)	72,391	(356,685)	47,116	(39,290)	24,501	(98,721)
Finance costs attributable to unitholders									
Distributions to unitholders	10	-	-	-	-	-	-	-	-
(Increase)/decrease in net assets attributable to unitholders	9	-	-	-	-	-	-	-	-
Profit/(loss) for the year		5,863	(71,229)	72,391	(356,685)	47,116	(39,290)	24,501	(98,721)
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the year		5,863	(71,229)	72,391	(356,685)	47,116	(39,290)	24,501	(98,721)

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 2023

	Notes	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
		30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment income							
Interest income		138	-	67	-	152	-
Dividend income		4,501	6,383	28,984	13,786	44,863	36,576
Distribution income		74,329	62,804	-	-	5,279	3,818
Net gains/(losses) on financial instruments at fair value through profit or loss	5	(95,586)	(152,348)	104,630	(43,893)	(38,190)	128,311
Other operating income		644	1,319	419	384	234	146
Total net investment income/(loss)		(15,974)	(81,842)	134,100	(29,723)	12,338	168,851
Expenses							
Responsible Entity's fees	16	7,485	9,501	2,418	1,257	7,903	6,903
Custody fees		49	71	28	55	30	52
Transaction costs		231	345	341	390	164	228
Withholding tax expense		10,621	9,508	3,516	1,720	6,553	5,216
Other operating expenses		424	1,444	7	15	16	33
Total operating expenses		18,810	20,869	6,310	3,437	14,666	12,432
Operating profit/(loss)		(34,784)	(102,711)	127,790	(33,160)	(2,328)	156,419
Finance costs attributable to unitholders							
Distributions to unitholders	10	-	-	(38,798)	(19,611)	(47,362)	(77,292)
(Increase)/decrease in net assets attributable to unitholders	9	-	-	(88,992)	52,771	49,690	(79,127)
Profit/(loss) for the year		(34,784)	(102,711)	-	-	-	-
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the year		(34,784)	(102,711)	-	-	-	-

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 2023

	Notes	Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
		30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
		\$'000	\$'000	\$'000	\$'000
Investment income					
Interest income		1,455	-	158	-
Dividend income		604,574	511,614	33,473	28,182
Distribution income		25,309	17,252	7,578	5,878
Net gains/(losses) on financial instruments at fair value through profit or loss	5	5,490,837	(2,336,732)	260,518	(319,242)
Other operating income		1,764	3,136	1,971	1,617
Total net investment income/(loss)		6,123,939	(1,804,730)	303,698	(283,565)
Expenses					
Responsible Entity's fees	16	52,257	50,151	7,166	6,885
Custody fees		91	113	46	95
Transaction costs		1,069	1,873	237	350
Withholding tax expense		79,454	64,544	4,612	4,327
Other operating expenses		10,785	1,573	123	556
Total operating expenses		143,656	118,254	12,184	12,213
Operating profit/(loss)		5,980,283	(1,922,984)	291,514	(295,778)
Finance costs attributable to unitholders					
Distributions to unitholders	10	(1,019,249)	(913,066)	(74,581)	(97,450)
(Increase)/decrease in net assets attributable to unitholders	9	(4,961,034)	2,836,050	(216,933)	393,228
Profit/(loss) for the year		-	-	-	-
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		-	-	-	-

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

Balance sheets

As at 30 June 2023

	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 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets									
Cash and cash equivalents	11	2,872	2,040	6,468	21,563	129	165	562	493
Margin accounts		116	189	199	1,149	-	-	-	-
Receivables		399	271	4,806	1,878	350	21	1,079	57
Accrued income		1,622	1,886	8,999	8,769	-	-	-	-
Due from brokers - receivable for securities sold		2	-	6	-	2,321	5,058	1,619	3,314
Financial assets at fair value through profit or loss	6	343,360	358,482	1,764,878	1,660,088	239,324	285,338	696,144	602,296
Total assets		348,371	362,868	1,785,356	1,693,447	242,124	290,582	699,404	606,160
Liabilities									
Payable securities lending		566	-	459	-	-	-	-	-
Distribution payable	10	2,143	1,790	13,102	9,428	3,480	4,673	2,747	3,465
Payables		2,124	1,366	11,648	7,510	47	1,186	227	538
Due to brokers - payable for securities purchased		-	-	379	13,741	-	-	685	-
Financial liabilities at fair value through profit or loss	7	47	3	182	17	-	-	3	-
Total liabilities		4,880	3,159	25,770	30,696	3,527	5,859	3,662	4,003
Net assets attributable to unitholders (equity)	9	343,491	359,709	1,759,586	1,662,751	238,597	284,723	695,742	602,157

	Notes	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
		30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets							
Cash and cash equivalents	11	9,370	2,456	3,096	2,028	9,841	12,919
Margin accounts		987	658	253	75	987	950
Receivables		5,681	2,611	1,144	958	4,772	2,091
Accrued income		6,872	6,959	1,111	859	4,079	3,275
Due from brokers - receivable for securities sold		642	84,746	18,214	5,355	-	29,888
Financial assets at fair value through profit or loss	6	1,778,645	1,853,564	869,095	633,580	1,657,261	1,501,478
Total assets		1,802,197	1,950,994	892,913	642,855	1,676,940	1,550,601
Liabilities							
Payable securities lending		-	-	606	-	-	-
Margin accounts		-	8	-	-	-	-
Distribution payable	10	13,914	65,206	24,605	7,587	12,921	25,892
Payables		1,693	65,374	433	300	1,981	29,866
Due to brokers - payable for securities purchased		-	-	-	518	-	-
Financial liabilities at fair value through profit or loss	7	165	89	-	-	300	23
Total liabilities		15,772	130,677	25,644	8,405	15,202	55,781
Net assets attributable to unitholders (equity)	9	1,786,425	1,820,317	-	-	-	-
Net assets attributable to unitholders (liability)	9	-	-	867,269	634,450	1,661,738	1,494,820

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

Balance sheets (continued)

As at 30 June 2023

	Notes	Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
		30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
		\$'000	\$'000	\$'000	\$'000
Assets					
Cash and cash equivalents	11	36,483	192,274	15,398	11,187
Margin accounts		3,562	12,139	1,288	1,212
Receivables		110,712	64,347	3,792	5,068
Accrued income		22,989	21,992	2,536	2,120
Due from brokers - receivable for securities sold		177,319	101,652	775	2,349
Financial assets at fair value through profit or loss	6	32,094,443	25,864,332	2,037,280	1,694,923
Total assets		32,445,508	26,256,736	2,061,069	1,716,859
Liabilities					
Payable securities lending		80	-	5,952	-
Margin accounts		-	80	-	-
Distribution payable	10	591,038	466,385	21,415	43,469
Payables		146,948	245,954	3,169	2,076
Due to brokers - payable for securities purchased		-	12	-	1,028
Financial liabilities at fair value through profit or loss	7	4,699	5	52	37
Total liabilities		742,765	712,436	30,588	46,610
Net assets attributable to unitholders (liability)	9	31,702,743	25,544,300	2,030,481	1,670,249

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

Statements of changes in equity

For the year ended 30 June 2023

	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 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the financial year		359,709	385,175	1,662,751	1,681,864	284,723	217,554	602,157	650,478
Comprehensive income for the year									
Profit/(loss) for the year		5,863	(71,229)	72,391	(356,685)	47,116	(39,290)	24,501	(98,721)
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the year		5,863	(71,229)	72,391	(356,685)	47,116	(39,290)	24,501	(98,721)
Transactions with unitholders									
Applications		16,660	58,949	232,825	557,655	17,517	138,593	90,949	114,825
Redemptions		(32,664)	(7,657)	(194,530)	(217,961)	(105,427)	(23,766)	(7,513)	(52,475)
Units issued upon reinvestment of distributions		1,658	1,323	31,454	32,368	607	476	3,160	2,407
Distributions paid and payable	10	(7,735)	(6,852)	(45,305)	(34,490)	(5,939)	(8,844)	(17,512)	(14,357)
Total transactions with unitholders		(22,081)	45,763	24,444	337,572	(93,242)	106,459	69,084	50,400
Total equity at the end of the financial year	9	343,491	359,709	1,759,586	1,662,751	238,597	284,723	695,742	602,157

	Notes	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund		
		30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Total equity at the beginning of the financial year			1,820,317	2,301,534	-	-	-	-
Comprehensive income for the year								
Profit/(loss) for the year			(34,784)	(102,711)	-	-	-	-
Other comprehensive income			-	-	-	-	-	-
Total comprehensive income for the year			(34,784)	(102,711)	-	-	-	-
Transactions with unitholders								
Applications			463,213	567,242	-	-	-	-
Redemptions			(475,992)	(856,642)	-	-	-	-
Units issued upon reinvestment of distributions			77,653	108,411	-	-	-	-
Distributions paid and payable	10		(63,982)	(197,517)	-	-	-	-
Total transactions with unitholders			892	(378,506)	-	-	-	-
Total equity at the end of the financial year	9		1,786,425	1,820,317	-	-	-	-

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 2023

	Notes	Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
		30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
		\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the financial year		-	-	-	-
Comprehensive income for the year					
Profit/(loss) for the year		-	-	-	-
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		-	-	-	-
Transactions with unitholders					
Applications		-	-	-	-
Redemptions		-	-	-	-
Units issued upon reinvestment of distributions		-	-	-	-
Distributions paid and payable	10	-	-	-	-
Total transactions with unitholders		-	-	-	-
Total equity at the end of the financial year	9	-	-	-	-

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 2023

	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 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000
Cash flows from operating activities									
Proceeds from sale of financial instruments at fair value through profit or loss		44,578	20,110	97,954	134,105	113,553	25,443	20,859	56,365
Purchases of financial instruments at fair value through profit or loss		(29,359)	(74,797)	(180,917)	(470,069)	(23,566)	(144,815)	(104,465)	(127,598)
Transaction costs on purchases of financial instruments at fair value through profit or loss		(136)	(129)	(398)	(741)	(3)	(5)	(9)	(6)
Interest received		27	-	160	-	4	1	22	-
Dividends received		8,720	7,406	51,553	42,377	-	-	-	-
Distributions received		161	123	420	218	6,724	9,443	19,274	16,010
Other income received		162	219	185	246	22	44	34	32
Responsible Entity's fees paid		(1,347)	(1,532)	(9,374)	(9,705)	(669)	(775)	(2,534)	(2,452)
Operating expenses paid		(331)	(92)	(188)	(465)	(2)	(13)	(11)	(11)
Net cash inflow/(outflow) from operating activities	12(a)	22,475	(48,692)	(40,605)	(304,034)	96,063	(110,677)	(66,830)	(57,660)
Cash flows from financing activities									
Proceeds from applications by unitholders		16,660	59,784	230,266	558,812	17,182	138,593	89,936	121,260
Payments for redemptions by unitholders		(32,664)	(7,657)	(194,076)	(237,315)	(106,546)	(22,647)	(7,851)	(52,137)
Distributions paid from operating activities		(5,724)	(5,718)	(10,177)	(13,469)	(6,525)	(5,498)	(15,070)	(11,583)
Net cash inflow/(outflow) from financing activities		(21,728)	46,409	26,013	308,028	(95,889)	110,448	67,015	57,540
Net increase/(decrease) in cash and cash equivalents		747	(2,283)	(14,592)	3,994	174	(229)	185	(120)
Cash and cash equivalents at the beginning of the year		2,040	4,102	21,563	17,330	165	195	493	457
Effects of foreign currency exchange rate changes on cash and cash equivalents		85	221	(503)	239	(210)	199	(116)	156
Cash and cash equivalents at the end of the year	11	2,872	2,040	6,468	21,563	129	165	562	493
Non-cash financing activities	12(b)	1,658	1,323	31,454	32,368	607	476	3,160	2,407

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 2023

	Notes	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
		30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities							
Proceeds from sale of financial instruments at fair value through profit or loss		471,028	827,011	331,298	142,749	217,623	285,313
Purchases of financial instruments at fair value through profit or loss		(409,366)	(564,060)	(474,703)	(589,834)	(381,703)	(469,883)
Transaction costs on purchases of financial instruments at fair value through profit or loss		(231)	(345)	(341)	(390)	(164)	(228)
Interest received		138	-	67	-	152	-
Dividends received		4,514	5,952	24,765	11,093	38,156	31,224
Distributions received		63,549	53,229	-	-	4,648	3,293
Other income received		672	1,319	419	384	234	146
Responsible Entity's fees paid		(7,544)	(9,623)	(2,370)	(1,152)	(7,856)	(6,785)
Operating expenses paid		(472)	(1,526)	(54)	(103)	(40)	(132)
Net cash inflow/(outflow) from operating activities	12(a)	122,288	311,957	(120,919)	(437,253)	(128,950)	(157,052)
Cash flows from financing activities							
Proceeds from applications by unitholders		460,348	567,263	272,741	497,464	553,219	697,235
Payments for redemptions by unitholders		(539,615)	(835,676)	(129,539)	(49,802)	(399,698)	(512,368)
Distributions paid from operating activities		(37,621)	(45,086)	(20,797)	(12,422)	(27,884)	(25,220)
Net cash inflow/(outflow) from financing activities		(116,888)	(313,499)	122,405	435,240	125,637	159,647
Net increase/(decrease) in cash and cash equivalents		5,400	(1,542)	1,486	(2,013)	(3,313)	2,595
Cash and cash equivalents at the beginning of the year		2,456	4,927	2,028	1,712	12,919	10,651
Effects of foreign currency exchange rate changes on cash and cash equivalents		1,514	(929)	(418)	2,329	235	(327)
Cash and cash equivalents at the end of the year	11	9,370	2,456	3,096	2,028	9,841	12,919
Non-cash financing activities	12(b)	77,653	108,411	983	744	32,449	39,038

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 2023

	Notes	Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
		30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000
Cash flows from operating activities					
Proceeds from sale of financial instruments at fair value through profit or loss		1,522,034	1,768,121	282,969	279,910
Purchases of financial instruments at fair value through profit or loss		(2,327,687)	(4,557,358)	(358,332)	(684,311)
Transaction costs on purchases of financial instruments at fair value through profit or loss		(1,069)	(1,873)	(237)	(350)
Interest received		1,455	-	158	-
Dividends received		526,537	434,139	29,169	23,496
Distributions received		21,561	14,272	6,279	4,838
Other income received		1,764	3,136	1,971	1,617
Responsible Entity's fees paid		(51,514)	(49,938)	(7,087)	(6,842)
Operating expenses paid		(12,674)	(1,885)	(238)	(680)
Net cash inflow/(outflow) from operating activities	12(a)	(319,593)	(2,391,386)	(45,348)	(382,322)
Cash flows from financing activities					
Proceeds from applications by unitholders		3,936,816	6,355,655	206,917	536,094
Payments for redemptions by unitholders		(3,513,680)	(3,604,354)	(138,528)	(140,348)
Distributions paid from operating activities		(263,824)	(303,781)	(18,827)	(19,779)
Net cash inflow/(outflow) from financing activities		159,312	2,447,520	49,562	375,967
Net increase/(decrease) in cash and cash equivalents		(160,281)	56,134	4,214	(6,355)
Cash and cash equivalents at the beginning of the year		192,274	133,116	11,187	17,060
Effects of foreign currency exchange rate changes on cash and cash equivalents		4,490	3,024	(3)	482
Cash and cash equivalents at the end of the year	11	36,483	192,274	15,398	11,187
Non-cash financing activities	12(b)	630,772	695,606	77,808	82,926

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 2023

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 28 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 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) 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.

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

The financial statements were authorised for issue by the directors on 13 September 2023. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

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 12 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 12 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.

Notes to the financial statements (continued)

For the year ended 30 June 2023

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

(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 2022 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 2023 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 2023, 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.

Equity securities, derivatives, listed unit trusts and fixed income securities are measured at fair value through profit or loss.

(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.

(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. Realised gains and losses on investments transactions and unrealised gain or loss of investments are both computed on weighted average cost basis.

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. Refer to note 3(c)(i) to the financial statements for further information.

(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.

Notes to the financial statements (continued)

For the year ended 30 June 2023

2 Summary of significant accounting policies (continued)

(c) Net assets attributable to unitholders (continued)

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
- apart from the contractual obligation to redeem the units, 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. Bank overdrafts are shown as a liability in the balance sheet.

Cash collateral provided to the Funds under the securities lending arrangements are separately identified in the balance sheet as cash collateral. The Funds may invest this cash collateral into reverse repurchase agreements and the assets purchased are included in financial assets at fair value through profit or loss on the balance sheet. Details of collateral received at year end are disclosed in note 17.

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.

(e) Margin accounts

Margin accounts comprise of cash held with brokers for derivative transactions to meet margin calls. It is not included as a component of cash and cash equivalents.

(f) Investment income

Dividend, distribution and interest income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income within dividend income, distribution income and interest 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, the Funds are not subject to income tax provided it attributes the entirety of its taxable income to its unitholders.

The benefits of imputation credits and foreign tax paid are passed on to unitholders. The Funds may incur withholding taxes imposed by certain countries on investment income. Such income is recorded gross of withholding taxes in the statement of comprehensive income.

(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.

Notes to the financial statements (continued)

For the year ended 30 June 2023

2 Summary of significant accounting policies (continued)

(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.

(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.

Notes to the financial statements (continued)

For the year ended 30 June 2023

2 Summary of significant accounting policies (continued)

(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.

(s) Consolidation

The Funds meet the criteria for the investment entity exception and as such, do not prepare consolidated financial statements. Instead, the Funds investments are accounted for at fair value as disclosed in note 2(b). Further, the Funds do not control any entities where they have investments.

(t) Operating segments

The Funds with ETF class units are within the scope of AASB 8: *Operating Segments* as they satisfy the requirement, under AASB 8, of having debt or equity instruments traded in a public market or filing financial statements with a regulator for the purpose of issuing any class of instruments in a public market.

(u) Securities lending arrangements

The Funds 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 securities lending agent of the Responsible Entity, to a limited number of pre-approved brokers and other financial institutions (the "Borrowers").

During the year, Vanguard Emerging Markets Shares Index Fund, Vanguard FTSE Asia ex Japan Shares Index ETF, Vanguard Global Infrastructure Index Fund, Vanguard Global Value Equity Fund, Vanguard International Shares Index Fund, Vanguard International Small Companies Index Fund, and Vanguard International Property Securities Index Fund entered into revised arrangements whereby cash qualified as eligible collateral in securities lending transactions.

Under the amended agreement, Borrowers provide cash collateral to an amount equal to 102% of the fair value of the loaned securities if the cash collateral is in the same currency as the loaned securities otherwise at 105% of the fair value of the loaned securities. Cash collateral can only be in US Dollar or Australian Dollar and can be invested by the securities lending agent. The Funds may invest the cash collateral received to purchase a reverse repurchase agreement or borrow securities subject to a commitment to resell or return them. The assets purchased are included in financial assets at fair value through profit or loss on the balance sheet.

The non-cash collateral is maintained at 105% of the fair value of the loaned securities and cannot be sold, re-invested or pledged by the Funds except in the event of Borrowers default.

The earnings on securities lending arrangements and cash collateral have been recognised in the statement of comprehensive income as other operating income. The earnings are recognised net of rebates and fees paid to the Borrowers and to the securities lending agent, respectively.

Notes to the financial statements (continued)

For the year ended 30 June 2023

2 Summary of significant accounting policies (continued)

(u) Securities lending arrangements (continued)

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 Borrowers default on a security loan and for the default caused by a reverse repurchase agreement counterparty. The Funds assumes the risks of loss resulting from the investment of cash collateral, which includes a loss realised on those investments or investments determined to be unlikely to be redeemed or will be redeemed at a loss at maturity.

Details of all open transactions at year end are disclosed in note 17.

(v) 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.

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.

Significant market disruptions, such as those caused by pandemics (e.g., COVID-19 pandemic), natural or environmental disasters, war (e.g., Russia's invasion of Ukraine), acts of terrorism, or other events, can adversely affect local and global markets and normal market operations. Any such disruptions could have an adverse impact on the value of the Fund's investments and fund performance.

(a) Market risk

(i) Price risk

The Funds are exposed to securities 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 securities 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 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000
Derivative assets	-	-	2	-	-	-	-	-
Equity securities	339,786	355,012	1,747,861	1,648,995	-	-	-	-
Listed unit trusts	3,004	3,470	16,503	11,091	239,324	285,338	696,144	602,296
Derivative liabilities	(14)	(3)	-	(10)	-	-	-	-
Net total	342,776	358,479	1,764,366	1,660,076	239,324	285,338	696,144	602,296

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(a) Market risk (continued)

(i) Price risk (continued)

	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Derivative assets	207	-	65	29	72	41
Equity securities	120,972	154,674	868,424	632,317	1,500,477	1,323,763
Listed unit trusts	1,657,389	1,698,870	-	1,234	156,358	177,674
Derivative liabilities	(21)	(85)	-	-	(100)	(23)
Net total	1,778,547	1,853,459	868,489	633,580	1,656,807	1,501,455

	Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$'000	\$'000	\$'000	\$'000
Derivative assets	-	-	82	10
Equity securities	31,478,577	25,251,469	1,880,132	1,544,429
Listed unit trusts	614,540	612,863	151,021	150,484
Derivative liabilities	-	-	(5)	(37)
Net total	32,093,117	25,864,332	2,031,230	1,694,886

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 hold 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.

In accordance with the Funds' policy, the Investment Manager monitors the Funds' foreign exchange exposure on all foreign currency denominated assets and liabilities on a daily basis. Currency positions are reconciled daily and discrepancies are immediately resolved. Procedures are established with the Investment Manager to trade currency as closely as possible to the close of the markets, so as to obtain exchange rates that closely approximate the rates used in the daily valuation.

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.

The foreign exchange risk disclosures have been prepared on the basis of the Funds' direct investments and not on a lookthrough 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.

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(a) Market risk (continued)

(ii) Foreign exchange risk (continued)

The tables below summarises the Funds' financial assets and liabilities, monetary and non-monetary, which are denominated in a currency other than the Australian dollar.

Vanguard FTSE Asia ex Japan Shares Index ETF					
30 Jun 2023					
	Hong Kong Dollar A\$'000	Indian Rupee A\$'000	Korean Won A\$'000	Taiwan New Dollar A\$'000	Other currencies A\$'000
Assets					
Cash and cash equivalents	402	971	45	11	596
Margin accounts	-	-	-	-	116
Receivables	-	-	122	243	-
Accrued income	593	115	135	730	48
Due from brokers - receivable for securities sold	2	-	-	-	-
Financial assets at fair value through profit or loss	110,712	62,161	46,800	59,106	64,581
Total assets	111,709	63,247	47,102	60,090	65,341
Liabilities					
Payable securities lending	-	-	-	-	566
Payables	-	1,991	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-	2	45
Total liabilities	-	1,991	-	2	611
Net increase/(decrease) in exposure from foreign currency forward contracts					
- Buy foreign currency	288	-	-	-	3,082
- Sell foreign currency	(633)	-	-	(725)	(2,585)
Net exposure including foreign currency forward contracts	111,364	61,256	47,102	59,363	65,227

Vanguard FTSE Asia ex Japan Shares Index ETF					
30 Jun 2022					
	Hong Kong Dollar A\$'000	Indian Rupee A\$'000	Korean Won A\$'000	Taiwan New Dollar A\$'000	Other currencies A\$'000
Assets					
Cash and cash equivalents	63	1,452	1	10	500
Margin accounts	-	-	-	-	189
Receivables	-	-	111	115	10
Accrued income	898	72	135	770	11
Due from brokers - receivable for securities sold	-	-	-	-	-
Financial assets at fair value through profit or loss	129,231	54,691	44,359	56,956	73,245
Total assets	130,192	56,215	44,606	57,851	73,955
Liabilities					
Payables	-	1,248	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-	-	3
Total liabilities	-	1,248	-	-	3
Net increase/(decrease) in exposure from foreign currency forward contracts					
- Buy foreign currency	-	-	-	-	832
- Sell foreign currency	(832)	-	-	-	(1,300)
Net exposure including foreign currency forward contracts	129,360	54,967	44,606	57,851	73,484

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(a) Market risk (continued)

(ii) Foreign exchange risk (continued)

Vanguard Emerging Markets Shares Index Fund					
30 Jun 2023					
	Hong Kong Dollar A\$'000	Indian Rupee A\$'000	Korean Won A\$'000	Taiwan New Dollar A\$'000	Other currencies A\$'000
Assets					
Cash and cash equivalents	188	1,631	75	80	2,625
Margin accounts	-	-	-	-	199
Receivables	-	-	491	1,039	109
Accrued income	2,442	462	635	3,354	2,106
Due from brokers - receivable for securities sold	6	-	-	-	-
Financial assets at fair value through profit or loss	401,003	258,344	216,916	274,731	613,874
Total assets	403,639	260,437	218,117	279,204	618,913
Liabilities					
Payable securities lending	-	-	-	-	459
Payables	-	8,857	-	-	-
Due to brokers - payable for securities purchased	-	-	-	-	379
Financial liabilities at fair value through profit or loss	-	-	-	7	9
Total liabilities	-	8,857	-	7	847
Net increase/(decrease) in exposure from foreign currency forward contracts					
- Buy foreign currency	-	5,470	-	-	11,664
- Sell foreign currency	-	-	-	(3,398)	(12,971)
Net exposure including foreign currency forward contracts	403,639	257,050	218,117	275,799	616,759

Vanguard Emerging Markets Shares Index Fund					
30 Jun 2022					
	Hong Kong Dollar A\$'000	Indian Rupee A\$'000	Korean Won A\$'000	Taiwan New Dollar A\$'000	Other currencies A\$'000
Assets					
Cash and cash equivalents	4,431	8,384	147	2,173	3,108
Margin accounts	-	-	-	-	1,149
Receivables	-	-	507	496	279
Accrued income	3,458	280	577	3,205	1,249
Due from brokers - receivable for securities sold	-	-	-	-	-
Financial assets at fair value through profit or loss	441,449	210,226	186,617	240,806	580,990
Total assets	449,338	218,890	187,848	246,680	586,775
Liabilities					
Payables	-	5,271	-	-	-
Due to brokers - payable for securities purchased	4,445	2,287	1,363	2,101	3,545
Financial liabilities at fair value through profit or loss	-	-	-	-	17
Total liabilities	4,445	7,558	1,363	2,101	3,562
Net increase/(decrease) in exposure from foreign currency forward contracts					
- Buy foreign currency	-	-	1,265	-	5,921
- Sell foreign currency	-	(921)	(45)	-	(6,459)
Net exposure including foreign currency forward contracts	444,893	210,411	187,705	244,579	582,675

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(a) Market risk (continued)

(ii) Foreign exchange risk (continued)

	Vanguard FTSE Europe Shares ETF	
	30 Jun 2023	
	US Dollar	Other
	A\$'000	A\$'000
Assets		
Cash and cash equivalents	127	-
Due from brokers - receivable for securities sold	2,321	-
Financial assets at fair value through profit or loss	239,324	-
Total assets	241,772	-
Net increase/(decrease) in exposure from foreign currency forward contracts		
- Buy foreign currency	-	-
- Sell foreign currency	(2,329)	-
Net exposure including foreign currency forward contracts	239,443	-

	Vanguard FTSE Europe Shares ETF	
	30 Jun 2022	
	US Dollar	Other
	A\$'000	A\$'000
Assets		
Cash and cash equivalents	156	-
Due from brokers - receivable for securities sold	5,058	-
Financial assets at fair value through profit or loss	285,338	-
Total assets	290,552	-
Net increase/(decrease) in exposure from foreign currency forward contracts		
- Buy foreign currency	-	-
- Sell foreign currency	(5,014)	-
Net exposure including foreign currency forward contracts	285,538	-

	Vanguard FTSE Emerging Markets Shares ETF	
	30 Jun 2023	
	US Dollar	Other
	A\$'000	A\$'000
Assets		
Cash and cash equivalents	24	-
Due from brokers - receivable for securities sold	1,619	-
Financial assets at fair value through profit or loss	696,144	-
Total assets	697,787	-
Liabilities		
Due to brokers - payable for securities purchased	685	-
Total liabilities	685	-
Net increase/(decrease) in exposure from foreign currency forward contracts		
- Buy foreign currency	679	-
- Sell foreign currency	(1,547)	-
Net exposure including foreign currency forward contracts	696,234	-

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(a) Market risk (continued)

(ii) Foreign exchange risk (continued)

	Vanguard FTSE Emerging Markets Shares ETF	
	30 Jun 2022	
	US Dollar A\$'000	Other currencies A\$'000
Assets		
Cash and cash equivalents	383	-
Due from brokers - receivable for securities sold	3,314	-
Financial assets at fair value through profit or loss	602,296	-
Total assets	605,993	-
Net increase/(decrease) in exposure from foreign currency forward contracts		
- Buy foreign currency	-	-
- Sell foreign currency	(3,100)	-
Net exposure including foreign currency forward contracts	602,893	-

	Vanguard International Property Securities Index Fund				
	30 Jun 2023				
	Euro A\$'000	British Pound A\$'000	Japanese Yen A\$'000	US Dollar A\$'000	Other currencies A\$'000
Assets					
Cash and cash equivalents	193	91	87	153	256
Margin accounts	-	180	30	710	-
Receivables	1,313	217	-	-	577
Accrued income	141	459	870	4,532	870
Due from brokers - receivable for securities sold	-	639	-	-	3
Financial assets at fair value through profit or loss	93,468	75,184	126,355	1,273,324	210,314
Total assets	95,115	76,770	127,342	1,278,719	212,020
Liabilities					
Financial liabilities at fair value through profit or loss	51	12	-	58	-
Total liabilities	51	12	-	58	-
Net increase/(decrease) in exposure from foreign currency forward contracts					
- Buy foreign currency	3,032	1,853	-	14,684	-
- Sell foreign currency	(5,076)	(903)	-	(9,421)	-
Net exposure including foreign currency forward contracts	93,020	77,708	127,342	1,283,924	212,020

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(a) Market risk (continued)

(ii) Foreign exchange risk (continued)

	Vanguard International Property Securities Index Fund				
	30 Jun 2022				
	Euro	British Pound	Japanese Yen	US Dollar	Other currencies
	A \$'000	A \$'000	A \$'000	A \$'000	A \$'000
Assets					
Cash and cash equivalents	808	101	110	28	1,128
Margin accounts	91	44	-	500	23
Receivables	1,301	162	-	2	409
Accrued income	610	441	880	4,136	892
Due from brokers - receivable for securities sold	5,091	4,199	6,111	58,248	11,097
Financial assets at fair value through profit or loss	115,116	90,405	133,991	1,284,511	229,541
Total assets	123,017	95,352	141,092	1,347,425	243,090
Liabilities					
Margin accounts	-	-	-	-	8
Financial liabilities at fair value through profit or loss	-	3	2	76	4
Total liabilities	-	3	2	76	12
Net increase/(decrease) in exposure from foreign currency forward contracts					
- Buy foreign currency	806	-	-	30,759	-
- Sell foreign currency	(9,582)	(4,239)	(5,887)	(85,606)	(11,052)
Net exposure including foreign currency forward contracts	114,241	91,110	135,203	1,292,502	232,026
	Vanguard Global Value Equity Fund				
	30 Jun 2023				
	Euro	British Pound	Japanese Yen	US Dollar	Other currencies
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
Assets					
Cash and cash equivalents	7	7	15	1,472	86
Margin accounts	-	-	-	253	-
Receivables	638	1	-	2	226
Accrued income	-	264	50	558	239
Due from brokers - receivable for securities sold	2,619	-	-	15,595	-
Financial assets at fair value through profit or loss	80,284	47,606	59,556	582,801	96,471
Total assets	83,548	47,878	59,621	600,681	97,022
Liabilities					
Payable securities lending	-	-	-	606	-
Total liabilities	-	-	-	606	-
Net increase/(decrease) in exposure from foreign currency forward contracts					
- Buy foreign currency	-	-	-	-	-
- Sell foreign currency	-	-	-	-	-
Net exposure including foreign currency forward contracts	83,548	47,878	59,621	600,075	97,022

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(a) Market risk (continued)

(ii) Foreign exchange risk (continued)

	Vanguard Global Value Equity Fund				
	30 Jun 2022				
	Euro A\$'000	British Pound A\$'000	Japanese Yen A\$'000	US Dollar A\$'000	Other currencies A\$'000
Assets					
Cash and cash equivalents	30	28	214	104	431
Margin accounts	-	-	-	75	-
Receivables	341	1	-	5	80
Accrued income	16	289	39	372	143
Due from brokers - receivable for securities sold	-	-	419	4,936	-
Financial assets at fair value through profit or loss	51,903	34,966	44,560	426,126	73,558
Total assets	52,290	35,284	45,232	431,618	74,212
Liabilities					
Due to brokers - payable for securities purchased	-	-	-	518	-
Total liabilities	-	-	-	518	-
Net increase/(decrease) in exposure from foreign currency forward contracts					
- Buy foreign currency	-	-	-	-	-
- Sell foreign currency	-	-	-	-	-
Net exposure including foreign currency forward contracts	52,290	35,284	45,232	431,100	74,212

	Vanguard Global Infrastructure Index Fund				
	30 Jun 2023				
	Canadian Dollar A\$'000	Euro A\$'000	Japanese Yen A\$'000	US Dollar A\$'000	Other currencies A\$'000
Assets					
Cash and cash equivalents	571	390	370	172	469
Margin accounts	149	100	43	695	-
Receivables	25	142	-	-	29
Accrued income	531	208	3	820	1,869
Financial assets at fair value through profit or loss	236,397	79,080	69,704	1,135,185	101,618
Total assets	237,673	79,920	70,120	1,136,872	103,985
Liabilities					
Financial liabilities at fair value through profit or loss	19	-	1	210	22
Total liabilities	19	-	1	210	22
Net increase/(decrease) in exposure from foreign currency forward contracts					
- Buy foreign currency	9,284	-	334	34,377	1,814
- Sell foreign currency	(7,076)	(492)	(333)	(29,085)	(1,780)
Net exposure including foreign currency forward contracts	239,862	79,428	70,120	1,141,954	103,997

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(a) Market risk (continued)

(ii) Foreign exchange risk (continued)

	Vanguard Global Infrastructure Index Fund				
	30 Jun 2022				
	Canadian Dollar A\$'000	Euro A\$'000	Japanese Yen A\$'000	US Dollar A\$'000	Other currencies A\$'000
Assets					
Cash and cash equivalents	2,569	162	464	6,875	876
Margin accounts	388	129	71	362	-
Receivables	25	162	-	-	27
Accrued income	509	174	2	681	1,399
Due from brokers - receivable for securities sold	4,082	1,801	1,308	20,214	1,681
Financial assets at fair value through profit or loss	215,160	77,469	57,492	1,030,860	88,671
Total assets	222,733	79,897	59,337	1,058,992	92,654
Liabilities					
Financial liabilities at fair value through profit or loss	12	7	3	-	-
Total liabilities	12	7	3	-	-
Net increase/(decrease) in exposure from foreign currency forward contracts					
- Buy foreign currency	-	-	-	12,967	-
- Sell foreign currency	(6,426)	(1,672)	(1,552)	(35,800)	(1,717)
Net exposure including foreign currency forward contracts	216,295	78,218	57,782	1,036,159	90,937

	Vanguard International Shares Index Fund				
	30 Jun 2023				
	Euro A\$'000	British Pound A\$'000	Japanese Yen A\$'000	US Dollar A\$'000	Other currencies A\$'000
Assets					
Cash and cash equivalents	1,832	832	12,074	10,085	3,246
Margin accounts	742	406	317	1,910	187
Receivables	22,443	164	-	145	21,076
Accrued income	1,303	4,251	2,282	12,524	2,629
Due from brokers - receivable for securities sold	15,045	4,493	11,964	129,680	16,137
Financial assets at fair value through profit or loss	3,056,316	1,311,719	2,009,100	22,757,858	2,959,138
Total assets	3,097,681	1,321,865	2,035,737	22,912,202	3,002,413
Liabilities					
Payable securities lending	-	-	-	80	-
Financial liabilities at fair value through profit or loss	18	-	6	3,035	154
Total liabilities	18	-	6	3,115	154
Net increase/(decrease) in exposure from foreign currency forward contracts					
- Buy foreign currency	4,942	-	160	228,378	3,598
- Sell foreign currency	(44,928)	(5,443)	(24,270)	(394,568)	(23,276)
Net exposure including foreign currency forward contracts	3,057,677	1,316,422	2,011,621	22,742,897	2,982,581

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(a) Market risk (continued)

(ii) Foreign exchange risk (continued)

	Vanguard International Shares Index Fund				
	30 Jun 2022				
	Euro	British	Japanese	US	Other
	A\$'000	Pound	Yen	Dollar	currencies
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
Assets					
Cash and cash equivalents	2,365	8,534	12,566	146,877	12,122
Margin accounts	3,102	613	319	7,642	463
Receivables	17,916	131	-	1,344	23,623
Accrued income	1,395	3,643	2,312	12,284	2,358
Due from brokers - receivable for securities sold	10,291	3,945	4,979	75,579	6,846
Financial assets at fair value through profit or loss	2,274,798	1,143,206	1,629,963	18,213,485	2,602,880
Total assets	2,309,867	1,160,072	1,650,139	18,457,211	2,648,292
Liabilities					
Margin accounts	-	-	-	-	80
Financial liabilities at fair value through profit or loss	1	-	1	3	-
Total liabilities	1	-	1	3	80
Net increase/(decrease) in exposure from foreign currency forward contracts					
- Buy foreign currency	-	-	-	58,424	-
- Sell foreign currency	(11,555)	(12,345)	(17,341)	(322,881)	(17,184)
Net exposure including foreign currency forward contracts	2,298,311	1,147,727	1,632,797	18,192,751	2,631,028

	Vanguard International Small Companies Index Fund				
	30 Jun 2023				
	Euro	British	Japanese	US Dollar	Other
	A\$'000	Pound	Yen	A\$'000	currencies
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
Assets					
Cash and cash equivalents	1,115	347	1,854	2,899	717
Margin accounts	262	48	88	851	39
Receivables	1,136	59	11	3	658
Accrued income	155	437	524	1,148	272
Due from brokers - receivable for securities sold	-	109	-	82	584
Financial assets at fair value through profit or loss	160,201	114,336	242,157	1,275,156	245,430
Total assets	162,869	115,336	244,634	1,280,139	247,700
Liabilities					
Payable securities lending	-	-	-	5,952	-
Financial liabilities at fair value through profit or loss	3	2	-	-	-
Total liabilities	3	2	-	5,952	-
Net increase/(decrease) in exposure from foreign currency forward contracts					
- Buy foreign currency	16	19	-	8,083	11
- Sell foreign currency	(16)	(30)	-	(5,772)	(70)
Net exposure including foreign currency forward contracts	162,866	115,323	244,634	1,276,498	247,641

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(a) Market risk (continued)

(ii) Foreign exchange risk (continued)

	Vanguard International Small Companies Index Fund				
	30 Jun 2022				
	Euro A\$'000	British Pound A\$'000	Japanese Yen A\$'000	US Dollar A\$'000	Other currencies A\$'000
Assets					
Cash and cash equivalents	1,139	183	1,216	6,395	1,459
Margin accounts	357	32	125	698	-
Receivables	794	59	-	25	449
Accrued income	144	353	403	964	256
Due from brokers - receivable for securities sold	3	-	-	2,346	-
Financial assets at fair value through profit or loss	127,379	105,905	192,161	1,057,030	212,448
Total assets	129,816	106,532	193,905	1,067,458	214,612
Liabilities					
Due to brokers - payable for securities purchased	-	-	-	1,028	-
Financial liabilities at fair value through profit or loss	12	-	5	20	-
Total liabilities	12	-	5	1,048	-
Net increase/(decrease) in exposure from foreign currency forward contracts					
- Buy foreign currency	-	-	-	2,000	-
- Sell foreign currency	(1,064)	(128)	(807)	(6,544)	-
Net exposure including foreign currency forward contracts	128,740	106,404	193,093	1,061,866	214,612

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 based on the minimum suggested investment time frames indicated within the Funds' respective PDS minus one standard deviation to average return plus one standard deviation. Foreign exchange risk reasonable possible movements are determined using Reserve Bank of Australia (RBA) foreign exchange rates for each currency published during the reporting period. The Funds have not made any changes to the methods used to determine its sensitivity to the market risk.

Notes to the financial statements (continued)

For the year ended 30 June 2023

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											
		Hong Kong Dollar		Indian Rupee		Korean Won		Taiwan New Dollar		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%	-8%	+6%	-7%	+6%	-8%	+2%	-5%	+3%	-6%	+5%	
30 Jun 2023	(10,283)	13,711	(80)	60	63	(54)	(24)	6	(49)	29	(10)	8	

Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard Emerging Markets Shares Index Fund													
Price risk		Foreign exchange risk											
		Hong Kong Dollar		Indian Rupee		Korean Won		Taiwan New Dollar		Other currencies			
\$'000	\$'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%	-10%	0%	-6%	+3%	-3%	+7%	-7%	+5%	-5%	+2%	
30 Jun 2022	(7,169)	14,339	(96)	-	(17)	8	(7)	17	(63)	45	(35)	14	

Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard Emerging Markets Shares Index Fund													
Price risk		Foreign exchange risk											
		Hong Kong Dollar		Indian Rupee		Korean Won		Taiwan New Dollar		Other currencies			
\$'000	\$'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%	-8%	+6%	-7%	+6%	-8%	+2%	-5%	+3%	-9%	+5%	
30 Jun 2023	(52,931)	70,575	(211)	158	471	(404)	(96)	24	(223)	134	(378)	209	

Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard Emerging Markets Shares Index Fund													
Price risk		Foreign exchange risk											
		Hong Kong Dollar		Indian Rupee		Korean Won		Taiwan New Dollar		Other currencies			
\$'000	\$'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%	-10%	0%	-6%	+3%	-3%	+7%	-7%	+5%	-9%	+3%	
30 Jun 2022	(49,803)	66,404	(344)	-	(66)	33	4	(9)	(264)	189	(201)	67	

Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard FTSE Europe Shares ETF													
Price risk		Foreign exchange risk											
		US Dollar											
\$'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%	-8%	+6%									
30 Jun 2023	(7,180)	11,966	(196)	147									

Impact on operating profit/(loss) and net assets attributable to unitholders													
Vanguard FTSE Europe Shares ETF													
Price risk		Foreign exchange risk											
		US Dollar											
\$'000	\$'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%	-11%	0%									
30 Jun 2022	(8,560)	11,414	(574)	-									

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(b) Summarised sensitivity analysis (continued)

		Impact on operating profit/(loss) and net assets attributable to unitholders			
		Vanguard FTSE Emerging Markets Shares ETF		Foreign exchange risk	
		Price risk		US Dollar	
		\$'000	\$'000	\$'000	\$'000
		Low	High	Low	High
30 Jun 2023		-2%	+4%	-8%	+6%
		(13,923)	27,846	(77)	57
		Price risk		Foreign exchange risk	
		\$'000	\$'000	\$'000	\$'000
		Low	High	Low	High
30 Jun 2022		-3%	+4%	-11%	0%
		(18,069)	24,092	(407)	-

		Impact on operating profit/(loss) and net assets attributable to unitholders											
		Vanguard International Property Securities Index Fund											
		Price risk		Foreign exchange risk									
				Euro		British Pound		Japanese Yen		US Dollar		Other currencies	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
30 Jun 2023		-4%	+4%	-15%	+2%	-17%	+1%	-2%	+9%	-8%	+6%	-8%	+3%
		(71,142)	71,142	(239)	32	(271)	16	(20)	89	(433)	324	(137)	51

		Impact on operating profit/(loss) and net assets attributable to unitholders											
		Vanguard Global Value Equity Fund											
		Price risk		Foreign exchange risk									
				Euro		British Pound		Japanese Yen		US Dollar		Other currencies	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
30 Jun 2022		-3%	+4%	-6%	+7%	-2%	+8%	-2%	+17%	-11%	0%	-6%	+3%
		(55,603)	74,139	(474)	553	(99)	396	(142)	1,207	(6,922)	-	(812)	406

		Impact on operating profit/(loss) and net assets attributable to unitholders											
		Vanguard Global Value Equity Fund											
		Price risk		Foreign exchange risk									
				Euro		British Pound		Japanese Yen		US Dollar		Other currencies	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
30 Jun 2023		-2%	+4%	-15%	+2%	-17%	+1%	-2%	+9%	-8%	+6%	-5%	+5%
		(17,370)	34,740	(490)	65	(46)	3	(1)	6	(1,382)	1,036	(26)	26

		Impact on operating profit/(loss) and net assets attributable to unitholders											
		Vanguard Global Value Equity Fund											
		Price risk		Foreign exchange risk									
				Euro		British Pound		Japanese Yen		US Dollar		Other currencies	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
30 Jun 2022		-3%	+4%	-6%	+7%	-2%	+8%	-2%	+17%	-11%	0%	-7%	+3%
		(19,008)	25,343	(23)	27	(6)	25	(13)	114	(547)	-	(46)	20

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(b) Summarised sensitivity analysis (continued)

Impact on operating profit/(loss) and net assets attributable to unitholders												
Vanguard Global Infrastructure Index Fund												
Price risk		Foreign exchange risk										
		Canadian Dollar		Euro		Japanese Yen		US Dollar		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	
30 Jun 2023	(49,704)	66,272	(103)	26	(126)	17	(8)	37	(151)	113	(304)	71

Impact on operating profit/(loss) and net assets attributable to unitholders												
Vanguard International Shares Index Fund												
Price risk		Foreign exchange risk										
		Canadian Dollar		Euro		Japanese Yen		US Dollar		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	
30 Jun 2022	(30,028)	60,059	(530)	-	(146)	170	(37)	314	(3,095)	-	(199)	159

Impact on operating profit/(loss) and net assets attributable to unitholders												
Vanguard International Shares Index Fund												
Price risk		Foreign exchange risk										
		Euro		British Pound		Japanese Yen		US Dollar		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	
30 Jun 2023	(641,862)	1,283,725	(6,213)	828	(1,725)	101	(533)	2,397	(12,167)	9,125	(3,882)	1,294

Impact on operating profit/(loss) and net assets attributable to unitholders												
Vanguard International Shares Index Fund												
Price risk		Foreign exchange risk										
		Euro		British Pound		Japanese Yen		US Dollar		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	
30 Jun 2022	(517,286)	1,034,574	(2,104)	2,455	(337)	1,349	(403)	3,430	(26,810)	-	(3,173)	1,360

Impact on operating profit/(loss) and net assets attributable to unitholders												
Vanguard International Small Companies Index Fund												
Price risk		Foreign exchange risk										
		Euro		British Pound		Japanese Yen		US Dollar		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	
30 Jun 2023	(60,937)	101,562	(400)	53	(170)	10	(50)	223	72	(54)	(159)	114

Impact on operating profit/(loss) and net assets attributable to unitholders												
Vanguard International Small Companies Index Fund												
Price risk		Foreign exchange risk										
		Euro		British Pound		Japanese Yen		US Dollar		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	
30 Jun 2022	(50,847)	84,745	(147)	171	(13)	50	(35)	297	(1,034)	-	(130)	65

Notes to the financial statements (continued)

For the year ended 30 June 2023

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. No loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Funds.

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 2023 or 30 June 2022.

(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. The Funds' agreements with derivative counterparties are based on the International Swaps and Derivatives Association, Inc. (ISDA) Master Agreement. Under the terms of these arrangements, only where certain credit events occur (such as default), the net position owing/receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated. As the Funds do not presently have a legally enforceable right of set-off, these amounts have not been offset and are presented gross in the balance sheet. Amounts subject to master netting arrangements are immaterial as of year end.

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 2023 had a credit rating of A-1 (30 June 2022: A-1). At 30 June 2023, 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 2023

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 analyses the Funds' non-derivative financial liabilities into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

	Vanguard FTSE Asia Ex Japan Shares Index ETF									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Payables securities lending	566	-	-	-	566	-	-	-	-	-
Distribution payable	2,143	-	-	-	2,143	1,790	-	-	-	1,790
Payables	2,124	-	-	-	2,124	1,366	-	-	-	1,366
Total liabilities	4,833	-	-	-	4,833	3,156	-	-	-	3,156

	Vanguard Emerging Markets Shares Index Fund									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Payables securities lending	459	-	-	-	459	-	-	-	-	-
Distribution payable	13,102	-	-	-	13,102	9,428	-	-	-	9,428
Payables	11,648	-	-	-	11,648	7,510	-	-	-	7,510
Due to brokers - payable for securities purchased	379	-	-	-	379	13,741	-	-	-	13,741
Total liabilities	25,588	-	-	-	25,588	30,679	-	-	-	30,679

	Vanguard FTSE Europe Shares ETF									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Distribution payable	3,480	-	-	-	3,480	4,673	-	-	-	4,673
Payables	47	-	-	-	47	1,186	-	-	-	1,186
Total liabilities	3,527	-	-	-	3,527	5,859	-	-	-	5,859

	Vanguard FTSE Emerging Markets Shares ETF									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Distribution payable	2,747	-	-	-	2,747	3,465	-	-	-	3,465
Payables	227	-	-	-	227	538	-	-	-	538
Due to brokers - payable for securities purchased	685	-	-	-	685	-	-	-	-	-
Total liabilities	3,659	-	-	-	3,659	4,003	-	-	-	4,003

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(d) Liquidity risk (continued)

	Vanguard International Property Securities Index Fund									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Margin accounts	-	-	-	-	-	8	-	-	-	8
Distribution payable	13,914	-	-	-	13,914	65,206	-	-	-	65,206
Payables	1,693	-	-	-	1,693	65,374	-	-	-	65,374
Total liabilities	15,607	-	-	-	15,607	130,588	-	-	-	130,588

	Vanguard Global Value Equity Fund									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Payables securities lending	606	-	-	-	606	-	-	-	-	-
Distribution payable	24,605	-	-	-	24,605	7,587	-	-	-	7,587
Payables	433	-	-	-	433	300	-	-	-	300
Due to brokers - payable for securities purchased	-	-	-	-	-	518	-	-	-	518
Net assets attributable to unitholders	867,269	-	-	-	867,269	634,450	-	-	-	634,450
Total liabilities	892,913	-	-	-	892,913	642,855	-	-	-	642,855

	Vanguard Global Infrastructure Index Fund									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Distribution payable	12,921	-	-	-	12,921	25,892	-	-	-	25,892
Payables	1,981	-	-	-	1,981	29,866	-	-	-	29,866
Net assets attributable to unitholders	1,661,738	-	-	-	1,661,738	1,494,820	-	-	-	1,494,820
Total liabilities	1,676,640	-	-	-	1,676,640	1,550,578	-	-	-	1,550,578

	Vanguard International Shares Index Fund									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Payables securities lending	80	-	-	-	80	-	-	-	-	-
Margin accounts	-	-	-	-	-	80	-	-	-	80
Distribution payable	591,038	-	-	-	591,038	466,385	-	-	-	466,385
Payables	146,948	-	-	-	146,948	245,954	-	-	-	245,954
Due to brokers - payable for securities purchased	-	-	-	-	-	12	-	-	-	12
Net assets attributable to unitholders	31,702,743	-	-	-	31,702,743	25,544,300	-	-	-	25,544,300
Total liabilities	32,440,809	-	-	-	32,440,809	26,256,731	-	-	-	26,256,731

	Vanguard International Small Companies Index Fund									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Payables securities lending	5,952	-	-	-	5,952	-	-	-	-	-
Distribution payable	21,415	-	-	-	21,415	43,469	-	-	-	43,469
Payables	3,169	-	-	-	3,169	2,076	-	-	-	2,076
Due to brokers - payable for securities purchased	-	-	-	-	-	1,028	-	-	-	1,028
Net assets attributable to unitholders	2,030,481	-	-	-	2,030,481	1,670,249	-	-	-	1,670,249
Total liabilities	2,061,017	-	-	-	2,061,017	1,716,822	-	-	-	1,716,822

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(d) Liquidity risk (continued)

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 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Derivative										
Inflows	4,967	724	-	-	5,691	2,135	-	-	-	2,135
(Outflows)	(4,995)	(725)	-	-	(5,720)	(2,134)	-	-	-	(2,134)
Net	(28)	(1)	-	-	(29)	1	-	-	-	1

	Vanguard Emerging Markets Shares Index Fund									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Derivative										
Inflows	20,514	3,378	-	-	23,892	9,982	-	-	-	9,982
(Outflows)	(20,636)	(3,385)	-	-	(24,021)	(9,987)	-	-	-	(9,987)
Net	(122)	(7)	-	-	(129)	(5)	-	-	-	(5)

	Vanguard FTSE Europe Shares ETF									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Derivative										
Inflows	2,329	-	-	-	2,329	5,014	-	-	-	5,014
(Outflows)	(2,329)	-	-	-	(2,329)	(5,014)	-	-	-	(5,014)
Net	-	-	-	-	-	-	-	-	-	-

	Vanguard FTSE Emerging Markets Shares ETF									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Derivative										
Inflows	2,223	-	-	-	2,223	3,100	-	-	-	3,100
(Outflows)	(2,226)	-	-	-	(2,226)	(3,100)	-	-	-	(3,100)
Net	(3)	-	-	-	(3)	-	-	-	-	-

	Vanguard International Property Securities Index Fund									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Derivative										
Inflows	17,540	6,649	-	-	24,189	112,865	3,523	-	-	116,388
(Outflows)	(17,575)	(6,681)	-	-	(24,256)	(112,869)	(3,503)	-	-	(116,372)
Net	(35)	(32)	-	-	(67)	(4)	20	-	-	16

Notes to the financial statements (continued)

For the year ended 30 June 2023

3 Financial risk management (continued)

(d) Liquidity risk (continued)

Maturities of gross-settled derivative financial instruments (continued)

	Vanguard Global Infrastructure Index Fund									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Derivative										
Inflows	47,728	16,178	-	-	63,906	48,768	-	-	-	48,768
(Outflows)	(47,589)	(16,163)	-	-	(63,752)	(48,768)	-	-	-	(48,768)
Net	139	15	-	-	154	-	-	-	-	-

	Vanguard International Shares Index Fund									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Derivative										
Inflows	534,131	87,690	-	-	621,821	381,304	-	-	-	381,304
(Outflows)	(538,028)	(87,246)	-	-	(625,274)	(381,310)	-	-	-	(381,310)
Net	(3,897)	444	-	-	(3,453)	(6)	-	-	-	(6)

	Vanguard International Small Companies Index Fund									
	30 Jun 2023					30 Jun 2022				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Derivative										
Inflows	13,550	-	-	-	13,550	8,544	-	-	-	8,544
(Outflows)	(13,530)	-	-	-	(13,530)	(8,544)	-	-	-	(8,544)
Net	20	-	-	-	20	-	-	-	-	-

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).

(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.

Notes to the financial statements (continued)

For the year ended 30 June 2023

4 Fair value measurement (continued)

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

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 2023

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 2023 and 30 June 2022.

Vanguard FTSE Asia ex Japan Shares Index ETF								
	30 Jun 2023				30 Jun 2022			
	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	-	4	-	4	-	-	-	-
Equity securities	339,697	-	89	339,786	354,604	-	408	355,012
Listed unit trusts	3,004	-	-	3,004	3,470	-	-	3,470
Fixed interest securities*	-	566	-	566	-	-	-	-
Total	342,701	570	89	343,360	358,074	-	408	358,482
Financial liabilities at fair value through profit or loss								
Derivatives	14	33	-	47	3	-	-	3
Total	14	33	-	47	3	-	-	3

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

Vanguard Emerging Markets Shares Index Fund								
	30 Jun 2023				30 Jun 2022			
	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	53	-	55	-	2	-	2
Equity securities	1,747,697	-	164	1,747,861	1,647,709	-	1,286	1,648,995
Listed unit trusts	16,503	-	-	16,503	11,091	-	-	11,091
Fixed interest securities*	-	459	-	459	-	-	-	-
Total	1,764,202	512	164	1,764,878	1,658,800	2	1,286	1,660,088
Financial liabilities at fair value through profit or loss								
Derivatives	-	182	-	182	10	7	-	17
Total	-	182	-	182	10	7	-	17

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

Vanguard FTSE Europe Shares ETF								
	30 Jun 2023				30 Jun 2022			
	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								
Listed unit trusts	239,324	-	-	239,324	285,338	-	-	285,338
Total	239,324	-	-	239,324	285,338	-	-	285,338

Notes to the financial statements (continued)

For the year ended 30 June 2023

4 Fair value measurement (continued)

Recognised fair value measurements (continued)

	Vanguard FTSE Emerging Markets Shares ETF							
	30 Jun 2023				30 Jun 2022			
	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								
Listed unit trusts	696,144	-	-	696,144	602,296	-	-	602,296
Total	696,144	-	-	696,144	602,296	-	-	602,296
Financial liabilities at fair value through profit or loss								
Derivatives	-	3	-	3	-	-	-	-
Total	-	3	-	3	-	-	-	-

	Vanguard International Property Securities Index Fund							
	30 Jun 2023				30 Jun 2022			
	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	207	77	-	284	-	20	-	20
Equity securities	120,972	-	-	120,972	154,674	-	-	154,674
Listed unit trusts	1,656,883	-	506	1,657,389	1,698,870	-	-	1,698,870
Total	1,778,062	77	506	1,778,645	1,853,544	20	-	1,853,564
Financial liabilities at fair value through profit or loss								
Derivatives	21	144	-	165	85	4	-	89
Total	21	144	-	165	85	4	-	89

	Vanguard Global Value Equity Fund							
	30 Jun 2023				30 Jun 2022			
	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	65	-	-	65	29	-	-	29
Equity securities	868,424	-	-	868,424	632,317	-	-	632,317
Listed unit trusts	-	-	-	-	1,234	-	-	1,234
Fixed interest securities*	-	606	-	606	-	-	-	-
Total	868,489	606	-	869,095	633,580	-	-	633,580

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

	Vanguard Global Infrastructure Index Fund							
	30 Jun 2023				30 Jun 2022			
	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	72	354	-	426	41	-	-	41
Equity securities	1,500,477	-	-	1,500,477	1,323,763	-	-	1,323,763
Listed unit trusts	156,358	-	-	156,358	177,674	-	-	177,674
Total	1,656,907	354	-	1,657,261	1,501,478	-	-	1,501,478
Financial liabilities at fair value through profit or loss								
Derivatives	100	200	-	300	22	1	-	23
Total	100	200	-	300	22	1	-	23

Notes to the financial statements (continued)

For the year ended 30 June 2023

4 Fair value measurement (continued)

Recognised fair value measurements (continued)

	Vanguard International Shares Index Fund							
	30 Jun 2023				30 Jun 2022			
	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	-	1,246	-	1,246	-	-	-	-
Equity securities	31,478,577	-	-	31,478,577	25,251,467	-	2	25,251,469
Listed unit trusts	614,540	-	-	614,540	612,863	-	-	612,863
Fixed interest securities*	-	80	-	80	-	-	-	-
Total	32,093,117	1,326	-	32,094,443	25,864,330	-	2	25,864,332
Financial liabilities at fair value through profit or loss								
Derivatives	-	4,699	-	4,699	-	5	-	5
Total	-	4,699	-	4,699	-	5	-	5

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

	Vanguard International Small Companies Index Fund							
	30 Jun 2023				30 Jun 2022			
	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	82	93	-	175	-	10	-	10
Equity securities	1,880,112	-	20	1,880,132	1,544,284	-	145	1,544,429
Listed unit trusts	150,908	-	113	151,021	150,458	-	26	150,484
Fixed interest securities*	-	5,952	-	5,952	-	-	-	-
Total	2,031,102	6,045	133	2,037,280	1,694,742	10	171	1,694,923
Financial liabilities at fair value through profit or loss								
Derivatives	5	47	-	52	37	-	-	37
Total	5	47	-	52	37	-	-	37

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

The Funds' policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no changes made to any of the valuation techniques applied as of 30 June 2023.

Transfers between levels

The following table presents the transfers between levels at the end of the reporting periods 30 June 2023 and 30 June 2022:

	Vanguard FTSE Asia ex Japan Shares Index ETF			Vanguard Emerging Markets Shares Index Fund		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 Jun 2023						
Transfers between level 1 and 3:						
Equity securities	(23)	-	23	-	-	-
30 Jun 2022						
Transfers between level 1 and 3:						
Equity securities	(265)	-	265	(896)	-	896

* As at 30 June 2022, the transfer to level 3 includes securities with a fair value of nil (cost value: \$49,015,819).

Notes to the financial statements (continued)

For the year ended 30 June 2023

4 Fair value measurement (continued)

Transfers between levels (continued)

	Vanguard International Property Securities 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
30 Jun 2023						
Transfers between level 1 and 3:						
Equity securities	-	-	-	(113)	-	113
Listed unit trust	(506)	-	506	-	-	-
30 Jun 2022						
Transfers between level 1 and 3:						
Equity securities	-	-	-	(16)	-	16

Equity securities were classified as level 3 as they are infrequently traded, or have a 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.

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 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000
Net unrealised gain/(loss) on financial instruments at fair value through profit or loss	1,848	(77,619)	39,480	(382,891)	44,511	(48,422)	8,633	(117,098)
Net realised gain/(loss) on financial instruments at fair value through profit or loss	(3,108)	(669)	(10,255)	(10,894)	(3,485)	447	(890)	4,796
Total net gains/(losses) on financial instruments at fair value through profit or loss	(1,260)	(78,288)	29,225	(393,785)	41,026	(47,975)	7,743	(112,302)

	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000
Net unrealised gain/(loss) on financial instruments at fair value through profit or loss	(92,782)	(272,901)	84,989	(51,934)	(55,828)	85,082
Net realised gain/(loss) on financial instruments at fair value through profit or loss	(2,804)	120,553	19,641	8,041	17,638	43,229
Total net gains/(losses) on financial instruments at fair value through profit or loss	(95,586)	(152,348)	104,630	(43,893)	(38,190)	128,311

Notes to the financial statements (continued)

For the year ended 30 June 2023

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

	Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$'000	\$'000	\$'000	\$'000
Net unrealised gain/(loss) on financial instruments at fair value through profit or loss	5,131,892	(2,678,671)	214,958	(391,383)
Net realised gain/(loss) on financial instruments at fair value through profit or loss	358,945	341,939	45,560	72,141
Total net gains/(losses) on financial instruments at fair value through profit or loss	5,490,837	(2,336,732)	260,518	(319,242)

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 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000
Financial assets at fair value through profit or loss								
Derivatives	4	-	55	2	-	-	-	-
Equity securities	339,786	355,012	1,747,861	1,648,995	-	-	-	-
Listed unit trusts	3,004	3,470	16,503	11,091	239,324	285,338	696,144	602,296
Fixed interest securities	566	-	459	-	-	-	-	-
Total financial assets at fair value through profit or loss	343,360	358,482	1,764,878	1,660,088	239,324	285,338	696,144	602,296
Comprising:								
Derivatives								
Foreign currency forward contracts	4	-	53	2	-	-	-	-
International share price futures	-	-	2	-	-	-	-	-
Total derivatives	4	-	55	2	-	-	-	-
Equity securities								
International equity securities	339,786	355,012	1,747,861	1,648,995	-	-	-	-
Total equity securities	339,786	355,012	1,747,861	1,648,995	-	-	-	-
Listed unit trusts								
International listed trusts	3,004	3,470	16,503	11,091	239,324	285,338	696,144	602,296
Total listed unit trusts	3,004	3,470	16,503	11,091	239,324	285,338	696,144	602,296
Fixed interest securities								
International reverse repurchase agreements*	566	-	459	-	-	-	-	-
Total fixed interest securities	566	-	459	-	-	-	-	-
Total financial assets at fair value through profit or loss	343,360	358,482	1,764,878	1,660,088	239,324	285,338	696,144	602,296

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

Notes to the financial statements (continued)

For the year ended 30 June 2023

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 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000
Financial assets at fair value through profit or loss						
Derivatives	284	20	65	29	426	41
Equity securities	120,972	154,674	868,424	632,317	1,500,477	1,323,763
Listed unit trusts	1,657,389	1,698,870	-	1,234	156,358	177,674
Fixed interest securities	-	-	606	-	-	-
Total financial assets at fair value through profit or loss	1,778,645	1,853,564	869,095	633,580	1,657,261	1,501,478
Comprising:						
Derivatives						
Foreign currency forward contracts	77	20	-	-	354	-
International share price futures	207	-	65	29	72	41
Total derivatives	284	20	65	29	426	41
Equity securities						
Australian equity securities	-	-	2,377	2,466	3,528	3,025
International equity securities	120,972	154,674	866,047	629,851	1,496,949	1,320,738
Total equity securities	120,972	154,674	868,424	632,317	1,500,477	1,323,763
Listed unit trusts						
Australian listed trusts	-	-	-	-	31,737	28,801
International listed trusts	1,657,389	1,698,870	-	1,234	124,621	148,873
Total listed unit trusts	1,657,389	1,698,870	-	1,234	156,358	177,674
Fixed interest securities						
International reverse repurchase agreements*	-	-	606	-	-	-
Total fixed interest securities	-	-	606	-	-	-
Total financial assets at fair value through profit or loss	1,778,645	1,853,564	869,095	633,580	1,657,261	1,501,478

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

Notes to the financial statements (continued)

For the year ended 30 June 2023

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

	Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000
Financial assets at fair value through profit or loss				
Derivatives	1,246	-	175	10
Equity securities	31,478,577	25,251,469	1,880,132	1,544,429
Listed unit trusts	614,540	612,863	151,021	150,484
Fixed interest securities	80	-	5,952	-
Total financial assets at fair value through profit or loss	32,094,443	25,864,332	2,037,280	1,694,923
Comprising:				
Derivatives				
Foreign currency forward contracts	1,246	-	67	-
International share price futures	-	-	82	-
International warrants	-	-	26	10
Total derivatives	1,246	-	175	10
Equity securities				
International equity securities	31,478,577	25,251,469	1,880,132	1,544,429
Total equity securities	31,478,577	25,251,469	1,880,132	1,544,429
Listed unit trusts				
International listed trusts	614,540	612,863	151,021	150,484
Total listed unit trusts	614,540	612,863	151,021	150,484
Fixed interest securities				
International reverse repurchase agreements*	80	-	5,952	-
Total fixed interest securities	80	-	5,952	-
Total financial assets at fair value through profit or loss	32,094,443	25,864,332	2,037,280	1,694,923

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

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

Notes to the financial statements (continued)

For the year ended 30 June 2023

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 FTSE Emerging Markets Shares ETF		Vanguard International Property Securities Index Fund	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000
Financial liabilities at fair value through profit or loss								
Derivatives	47	3	182	17	3	-	165	89
Total financial liabilities at fair value through profit or loss	47	3	182	17	3	-	165	89
Comprising:								
Derivatives								
Foreign currency forward contracts	33	-	182	7	3	-	144	4
Australian share price futures	-	-	-	-	-	-	9	4
International share price futures	14	3	-	10	-	-	12	81
Total derivatives	47	3	182	17	3	-	165	89
Total financial liabilities at fair value through profit or loss	47	3	182	17	3	-	165	89

	Vanguard Global Infrastructure Index Fund		Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000
Financial liabilities at fair value through profit or loss						
Derivatives	300	23	4,699	5	52	37
Total financial liabilities at fair value through profit or loss	300	23	4,699	5	52	37
Comprising:						
Derivatives						
Foreign currency forward contracts	200	1	4,699	5	47	-
International share price futures	100	22	-	-	5	37
Total derivatives	300	23	4,699	5	52	37
Total financial liabilities at fair value through profit or loss	300	23	4,699	5	52	37

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.

Notes to the financial statements (continued)

For the year ended 30 June 2023

8 Derivative financial instruments (continued)

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.

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					
	Contract/ Notional \$'000	2023		Contract/ Notional \$'000	2022	
		Fair value			Fair value	
		Assets \$'000	Liabilities \$'000		Assets \$'000	Liabilities \$'000
Forward currency contracts	5,691	4	33	2,135	-	-
International share price index futures	974	-	14	1,312	-	3
Total	6,665	4	47	3,447	-	3

	Vanguard Emerging Markets Shares Index Fund					
	Contract/ Notional \$'000	2023		Contract/ Notional \$'000	2022	
		Fair value			Fair value	
		Assets \$'000	Liabilities \$'000		Assets \$'000	Liabilities \$'000
Forward currency contracts	23,892	53	182	9,982	2	7
International share price index futures	3,523	2	-	8,239	-	10
Total	27,415	55	182	18,221	2	17

	Vanguard FTSE Europe Shares ETF					
	Contract/ Notional \$'000	2023		Contract/ Notional \$'000	2022	
		Fair value			Fair value	
		Assets \$'000	Liabilities \$'000		Assets \$'000	Liabilities \$'000
Forward currency contracts	2,329	-	-	5,014	-	-
Total	2,329	-	-	5,014	-	-

Notes to the financial statements (continued)

For the year ended 30 June 2023

8 Derivative financial instruments (continued)

	Vanguard FTSE Emerging Markets Shares ETF					
	Contract/ Notional \$'000	2023		Contract/ Notional \$'000	2022	
		Fair value			Fair value	
		Assets \$'000	Liabilities \$'000		Assets \$'000	Liabilities \$'000
Forward currency contracts	2,223	-	3	3,100	-	-
Total	2,223	-	3	3,100	-	-

	Vanguard International Property Securities Index Fund					
	Contract/ Notional \$'000	2023		Contract/ Notional \$'000	2022	
		Fair value			Fair value	
		Assets \$'000	Liabilities \$'000		Assets \$'000	Liabilities \$'000
Forward currency contracts	24,189	77	144	116,388	20	4
Australian share price index futures	537	-	9	162	-	4
International share price index futures	16,365	207	12	9,328	-	81
Total	41,091	284	165	125,878	20	89

	Vanguard Global Value Equity Fund					
	Contract/ Notional \$'000	2023		Contract/ Notional \$'000	2022	
		Fair value			Fair value	
		Assets \$'000	Liabilities \$'000		Assets \$'000	Liabilities \$'000
International share price index futures	4,046	65	-	1,929	29	-
Total	4,046	65	-	1,929	29	-

	Vanguard Global Infrastructure Index Fund					
	Contract/ Notional \$'000	2023		Contract/ Notional \$'000	2022	
		Fair value			Fair value	
		Assets \$'000	Liabilities \$'000		Assets \$'000	Liabilities \$'000
Forward currency contracts	63,906	354	200	48,768	-	1
International share price index futures	11,166	72	100	7,311	41	22
Total	75,072	426	300	56,079	41	23

	Vanguard International Shares Index Fund					
	Contract/ Notional \$'000	2023		Contract/ Notional \$'000	2022	
		Fair value			Fair value	
		Assets \$'000	Liabilities \$'000		Assets \$'000	Liabilities \$'000
Forward currency contracts	621,821	1,246	4,699	381,304	-	5
Total	621,821	1,246	4,699	381,304	-	5

Notes to the financial statements (continued)

For the year ended 30 June 2023

8 Derivative financial instruments (continued)

	Vanguard International Small Companies Index Fund						
	Contract/ Notional \$'000	2023			2022		
		Fair value		Contract/ Notional \$'000	Fair value		
		Assets \$'000	Liabilities \$'000		Assets \$'000	Liabilities \$'000	
Forward currency contracts	13,550	67	47	8,544	-	-	
International share price index futures	23,615	82	5	9,199	-	37	
International warrants	-	26	-	1	10	-	
Total	37,165	175	52	17,744	10	37	

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.

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 (refer to note 2(c)).

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 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	5,303	4,641	359,709	385,175	834,945	672,409	1,662,751	1,681,864
Applications	251	760	16,660	58,949	118,107	245,809	232,825	557,655
Redemptions	(490)	(115)	(32,664)	(7,657)	(98,943)	(96,804)	(194,530)	(217,961)
Units issued upon reinvestment of distributions	26	17	1,658	1,323	16,525	13,531	31,454	32,368
Distributions paid and payable	-	-	(7,735)	(6,852)	-	-	(45,305)	(34,490)
Profit/(loss) for the year	-	-	5,863	(71,229)	-	-	72,391	(356,685)
Closing balance as at 30 June	5,090	5,303	343,491	359,709	870,634	834,945	1,759,586	1,662,751

	Vanguard FTSE Europe Shares ETF				Vanguard FTSE Emerging Markets Shares ETF			
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	5,202	3,410	284,723	217,554	8,985	8,128	602,157	650,478
Applications	285	2,185	17,517	138,593	1,391	1,530	90,949	114,825
Redemptions	(1,885)	(400)	(105,427)	(23,766)	(115)	(705)	(7,513)	(52,475)
Units issued upon reinvestment of distributions	12	7	607	476	49	32	3,160	2,407
Distributions paid and payable	-	-	(5,939)	(8,844)	-	-	(17,512)	(14,357)
Profit/(loss) for the year	-	-	47,116	(39,290)	-	-	24,501	(98,721)
Closing balance as at 30 June	3,614	5,202	238,597	284,723	10,310	8,985	695,742	602,157

Notes to the financial statements (continued)

For the year ended 30 June 2023

9 Net assets attributable to unitholders (continued)

	Vanguard International Property Securities Index Fund			
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	1,826,651	1,995,219	1,820,317	2,301,534
Applications	471,372	471,808	463,213	567,242
Redemptions	(494,739)	(730,728)	(475,992)	(856,642)
Units issued upon reinvestment of distributions	80,055	90,352	77,653	108,411
Distributions paid and payable	-	-	(63,982)	(197,517)
Profit/(loss) for the year	-	-	(34,784)	(102,711)
Closing balance as at 30 June	1,883,339	1,826,651	1,786,425	1,820,317

	Vanguard Global Value Equity Fund							
	Wholesale Class				ETF Class			
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000	
Balance as at 1 July	85,300	26,732	103,949	34,390	9,765	3,603	530,501	204,647
Applications	62,706	69,599	82,792	92,576	3,245	6,775	189,676	404,803
Redemptions	(40,646)	(11,270)	(54,253)	(14,808)	(1,280)	(620)	(75,371)	(35,131)
Units issued upon reinvestment of distributions	244	239	309	317	12	7	674	427
Increase/(decrease) in net assets attributable to unitholders	-	-	16,412	(8,526)	-	-	72,580	(44,245)
Closing balance as at 30 June	107,604	85,300	149,209	103,949	11,742	9,765	718,060	530,501

	Vanguard Global Infrastructure Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000	
Balance as at 1 July	920,212	863,839	1,193,032	1,056,462	4,773	2,622	301,788	150,608
Applications	358,252	407,819	465,191	537,969	1,430	2,585	90,708	158,377
Redemptions	(267,836)	(381,374)	(342,415)	(499,102)	(470)	(440)	(29,325)	(27,659)
Units issued upon reinvestment of distributions	24,959	29,928	31,992	38,653	8	6	457	385
Increase/(decrease) in net assets attributable to unitholders	-	-	(41,835)	59,050	-	-	(7,855)	20,077
Closing balance as at 30 June	1,035,587	920,212	1,305,965	1,193,032	5,741	4,773	355,773	301,788

	Vanguard International Shares Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000	
Balance as at 1 July	7,832,088	7,083,240	19,551,886	19,638,186	49,842	35,850	4,393,675	3,438,607
Applications	1,021,007	1,557,089	2,738,961	4,432,326	8,045	15,000	751,706	1,493,954
Redemptions	(1,152,924)	(1,036,954)	(3,140,013)	(2,904,616)	(1,140)	(1,165)	(106,456)	(117,289)
Units issued upon reinvestment of distributions	228,665	228,713	586,687	645,931	176	157	15,926	15,528
Increase/(decrease) in net assets attributable to unitholders	-	-	3,625,872	(2,259,941)	-	-	976,007	(437,125)
Closing balance as at 30 June	7,928,836	7,832,088	23,363,393	19,551,886	56,923	49,842	6,030,858	4,393,675

Notes to the financial statements (continued)

For the year ended 30 June 2023

9 Net assets attributable to unitholders (continued)

	B Class			
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	18,628	17,517	1,598,739	1,635,971
Applications	5,286	4,392	489,872	423,450
Redemptions	(1,834)	(3,636)	(167,433)	(355,845)
Units issued upon reinvestment of distributions	319	355	28,159	34,147
Increase/(decrease) in net assets attributable to unitholders	-	-	359,155	(138,984)
Closing balance as at 30 June	22,399	18,628	2,308,492	1,598,739

	Vanguard International Small Companies Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	952,276	738,093	1,488,731	1,432,148	3,569	2,092	181,518	131,846
Applications	91,981	231,583	155,654	440,802	899	1,455	49,379	88,603
Redemptions	(81,148)	(59,960)	(136,717)	(112,510)	(50)	(5)	(2,825)	(338)
Units issued upon reinvestment of distributions	46,602	42,560	74,918	81,303	55	27	2,890	1,623
Increase/(decrease) in net assets attributable to unitholders	-	-	191,635	(353,012)	-	-	25,298	(40,216)
Closing balance as at 30 June	1,009,711	952,276	1,774,221	1,488,731	4,473	3,569	256,260	181,518

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.

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 2023		30 Jun 2022		30 Jun 2023		30 Jun 2022	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	4,344	91.4118	2,831	60.2770	22,803	2.7543	14,318	1.9156
- 31 December	937	18.7751	1,311	25.0326	6,219	0.7313	8,014	1.0372
- 31 March	311	6.2171	920	16.6820	3,181	0.3634	2,730	0.3357
Distributions payable								
- 30 June	2,143	39.3304	1,790	31.3365	13,102	1.5049	9,428	1.1292
	7,735	155.7344	6,852	133.3281	45,305	5.3539	34,490	4.4177

Notes to the financial statements (continued)

For the year ended 30 June 2023

10 Distributions to unitholders paid and payable (continued)

	Vanguard FTSE Europe Shares ETF				Vanguard FTSE Emerging Markets Shares ETF			
	30 Jun 2023		30 Jun 2022		30 Jun 2023		30 Jun 2022	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	801	20.0697	1,156	27.4562	6,190	66.9938	4,304	52.1018
- 31 December	1,066	26.3224	2,335	49.4508	8,112	82.6521	5,111	58.0009
- 31 March	592	16.0756	680	12.5456	463	4.6276	1,477	16.2551
Distributions payable								
- 30 June	3,480	95.3326	4,673	89.2818	2,747	25.0980	3,465	36.9441
	5,939	157.8003	8,844	178.7344	17,512	179.3715	14,357	163.3019

	Vanguard International Property Securities Index Fund			
	30 Jun 2023		30 Jun 2022	
	\$'000	CPU	\$'000	CPU
Distributions paid				
- 30 September	18,367	0.9708	25,356	1.2858
- 31 December	14,953	0.7750	52,039	2.6363
- 31 March	16,748	0.8614	54,916	2.7302
Distributions payable				
- 30 June	13,914	0.7388	65,206	3.5697
	63,982	3.3460	197,517	10.2220

	Vanguard Global Value Equity Fund							
	Wholesale Class				ETF Class			
	30 Jun 2023		30 Jun 2022		30 Jun 2023		30 Jun 2022	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	584	0.5724	355	1.1613	3,963	36.3182	1,107	25.1863
- 31 December	776	0.7123	738	1.6805	3,999	33.0044	3,738	68.6880
- 31 March	788	0.6968	963	1.6090	4,083	33.8733	5,123	55.4440
Distributions payable								
- 30 June	3,136	2.9141	1,301	1.5257	21,469	182.6632	6,286	64.1985
	5,284	4.8956	3,357	5.9765	33,514	285.8591	16,254	213.5168

	Vanguard Global Infrastructure Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2023		30 Jun 2022		30 Jun 2023		30 Jun 2022	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	8,903	0.9236	11,135	1.3031	1,675	33.2394	1,028	36.8013
- 31 December	8,647	0.8513	7,575	0.8534	1,766	32.8725	980	21.9622
- 31 March	11,732	1.1221	28,216	3.0137	1,718	31.0719	2,466	51.6526
Distributions payable								
- 30 June	10,238	0.9887	24,547	2.6675	2,683	46.1942	1,345	27.6108
	39,520	3.8857	71,473	7.8377	7,842	143.3780	5,819	138.0269

	Vanguard International Shares Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2023		30 Jun 2022		30 Jun 2023		30 Jun 2022	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	80,928	1.0108	73,770	1.0004	16,986	34.8331	13,291	34.2594
- 31 December	120,267	1.4761	132,454	1.7422	16,516	30.3465	18,872	43.1163
- 31 March	162,917	2.0046	168,579	2.1256	12,489	22.4212	19,366	40.7722
Distributions payable								
- 30 June	500,132	6.3078	427,799	5.4621	65,077	111.6569	28,535	54.8340
	864,244	10.7993	802,602	10.3303	111,068	199.2577	80,064	172.9819

Notes to the financial statements (continued)

For the year ended 30 June 2023

10 Distributions to unitholders paid and payable (continued)

	B Class			
	30 Jun 2023		30 Jun 2022	
	\$'000	CPU	\$'000	CPU
Distributions paid				
- 30 September	6,660	34.9345	5,767	33.4626
- 31 December	6,598	30.0246	7,191	41.8297
- 31 March	4,850	21.9416	7,391	39.5262
Distributions payable				
- 30 June	25,829	115.3160	10,051	53.9565
	43,937	202.2167	30,400	168.7750

	Vanguard International Small Companies Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2023		30 Jun 2022		30 Jun 2023		30 Jun 2022	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	12,139	1.2733	6,581	0.8136	1,253	32.8668	494	20.7321
- 31 December	15,796	1.6186	21,366	2.4714	2,202	52.7667	2,325	80.3245
- 31 March	19,014	1.9212	20,744	2.2659	2,762	62.7888	2,471	77.8113
Distributions payable								
- 30 June	18,631	1.8451	38,883	4.0831	2,784	61.4923	4,586	127.7133
	65,580	6.6582	87,574	9.6340	9,001	209.9146	9,876	306.5812

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 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000
Domestic cash at bank	847	14	1,869	3,319	2	9	538	109
Foreign cash at bank	2,025	2,026	4,599	18,244	127	156	24	384
Total cash and cash equivalents	2,872	2,040	6,468	21,563	129	165	562	493

	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000
Domestic cash at bank	8,590	281	1,509	1,221	7,869	1,973
Foreign cash at bank	780	2,175	1,587	807	1,972	10,946
Total cash and cash equivalents	9,370	2,456	3,096	2,028	9,841	12,919

	Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2023 \$'000	30 Jun 2022 \$'000	30 Jun 2023 \$'000	30 Jun 2022 \$'000
Domestic cash at bank	8,414	9,809	8,466	795
Foreign cash at bank	28,069	182,465	6,932	10,392
Total cash and cash equivalents	36,483	192,274	15,398	11,187

Notes to the financial statements (continued)

For the year ended 30 June 2023

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 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities								
Profit/(loss) for the year	5,863	(71,229)	72,391	(356,685)	47,116	(39,290)	24,501	(98,721)
Proceeds from sale of financial instruments at fair value through profit or loss	44,578	20,110	97,954	134,105	113,553	25,443	20,859	56,365
Purchases of financial instruments at fair value through profit or loss	(29,359)	(74,797)	(180,917)	(470,069)	(23,566)	(144,815)	(104,465)	(127,598)
Net (gains)/losses on financial instruments at fair value through profit or loss	1,260	78,288	(29,225)	393,785	(41,026)	47,975	(7,743)	112,302
Net change in receivables	136	(1,036)	(599)	(5,074)	6	(9)	(9)	(8)
Net change in payables	(3)	(6)	97	2	(20)	19	27	-
Non-cash items	-	(22)	(306)	(98)	-	-	-	-
Net cash inflow/(outflow) from operating activities	22,475	(48,692)	(40,605)	(304,034)	96,063	(110,677)	(66,830)	(57,660)

(b) Non-cash financing activities

During the year, the distribution payments satisfied by the issue of units under the distribution reinvestment plan	1,658	1,323	31,454	32,368	607	476	3,160	2,407
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	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities						
Profit/(loss) for the year	(34,784)	(102,711)	-	-	-	-
Increase/(decrease) in net assets attributable to unitholders	-	-	88,992	(52,771)	(49,690)	79,127
Distribution to unitholders	-	-	38,798	19,611	47,362	77,292
Proceeds from sale of financial instruments at fair value through profit or loss	471,028	827,011	331,298	142,749	217,623	285,313
Purchases of financial instruments at fair value through profit or loss	(409,366)	(564,060)	(474,703)	(589,834)	(381,703)	(469,883)
Net (gains)/losses on financial instruments at fair value through profit or loss	95,586	152,348	(104,630)	43,893	38,190	(128,311)
Distribution reinvested	-	(413)	-	-	-	-
Net change in receivables	(118)	(96)	(711)	(1,006)	(805)	(708)
Net change in payables	(58)	(122)	48	105	73	118
Non-cash items	-	-	(11)	-	-	-
Net cash inflow/(outflow) from operating activities	122,288	311,957	(120,919)	(437,253)	(128,950)	(157,052)

(b) Non-cash financing activities

During the year, the distribution payments satisfied by the issue of units under the distribution reinvestment plan	77,653	108,411	983	744	32,449	39,038
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Notes to the financial statements (continued)

For the year ended 30 June 2023

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

	Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$'000	\$'000	\$'000	\$'000
(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities				
Increase/(decrease) in net assets attributable to unitholders	4,961,034	(2,836,050)	216,933	(393,228)
Distribution to unitholders	1,019,249	913,066	74,581	97,450
Proceeds from sale of financial instruments at fair value through profit or loss	1,522,034	1,768,121	282,969	279,910
Purchases of financial instruments at fair value through profit or loss	(2,327,687)	(4,557,358)	(358,332)	(684,311)
Net (gains)/losses on financial instruments at fair value through profit or loss	(5,490,837)	2,336,732	(260,518)	319,242
Distribution reinvested	-	-	(24)	(42)
Net change in receivables	(3,639)	(16,102)	(1,024)	(1,452)
Net change in payables	772	205	79	109
Non-cash items	(519)	-	(12)	-
Net cash inflow/(outflow) from operating activities	(319,593)	(2,391,386)	(45,348)	(382,322)
(b) Non-cash financing activities				
During the year, the distribution payments satisfied by the issue of units under the distribution reinvestment plan	630,772	695,606	77,808	82,926

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 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$	\$	\$	\$	\$	\$
Auditors of the Funds - PwC						
Audit and review of financial statements	21,993	20,595	21,993	20,595	21,993	20,595
Other assurance services						
Audit of compliance plan and specified assertions report	5,463	3,452	5,463	3,452	5,463	3,452
Other non-audit services						
Tax compliance services	6,075	5,714	6,075	5,714	9,416	8,829
Total services provided by PwC	33,531	29,761	33,531	29,761	36,872	32,876

Notes to the financial statements (continued)

For the year ended 30 June 2023

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 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$	\$	\$	\$	\$	\$	\$	\$
Auditors of the Funds - PwC								
Audit and review of financial statements	19,871	18,595	19,871	18,595	25,706	24,095	22,523	21,095
Other assurance services								
Audit of compliance plan, specified assertions report and internal controls report	11,491	9,598	11,491	9,598	11,491	9,598	11,491	9,598
Other non-audit services								
Tax compliance services	9,416	8,829	9,416	8,829	9,416	8,829	9,416	8,829
Total services provided by PwC	40,778	37,022	40,778	37,022	46,613	42,522	43,430	39,522

	Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$	\$	\$	\$
Auditors of the Funds - PwC				
Audit and review of financial statements	26,236	24,595	23,054	21,595
Other assurance services				
Audit of compliance plan, specified assertions report and internal controls report	11,491	9,598	11,491	9,598
Other non-audit services				
Tax compliance services	9,416	8,829	9,416	8,829
Total services provided by PwC	47,143	43,022	43,961	40,022

14 Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factors in deciding who controls the entity, or when voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

An interest in a structured entity is any form of contractual or non-contractual involvement which creates variability in returns arising from the performance of the entity for the Funds. The Funds consider investments in unit trusts and managed funds to be structured entities. The Funds have exposures to unconsolidated structured entities through their investment activities and these have been accounted for as financial assets at fair value through profit or loss. The nature and extent of the Funds' interests in related unconsolidated structured entities are units in underlying funds and are summarised in note 15. There are no significant interests in unrelated unconsolidated structured entities held by the Funds as at the reporting date.

The Funds' maximum exposure to loss is restricted to the carrying value of the assets. Exposure to trading assets is managed in accordance with financial risk management practices as set out in note 3, which includes an indication of changes in risk measures compared to prior year.

During the year, the Funds have not provided any financial or other support to unconsolidated structured entities and have no intention of providing financial or other support to unconsolidated structured entities in the future.

Notes to the financial statements (continued)

For the year ended 30 June 2023

15 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 are as follows:

Daniel Shrimski

John Bendl

Curt Jacques

Kim Petersen

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

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 2023 and 30 June 2022.

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.

Notes to the financial statements (continued)

For the year ended 30 June 2023

15 Related party transactions (continued)

Responsible Entity's fees and other transactions

During the year ended 30 June 2023, 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	
	2023 % per annum	2022 % 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 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 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$	\$	\$	\$	\$	\$	\$	\$
Responsible Entity's fees for the year	1,343,469	1,525,608	9,416,107	9,706,566	648,670	794,753	2,560,656	2,452,371
Total fees payable to the Responsible Entity at year end	114,629	118,304	816,601	773,845	46,852	66,219	226,809	200,215

	Vanguard International Property Securities Index Fund		Vanguard Global Value Equity Fund		Vanguard Global Infrastructure Index Fund	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$	\$	\$	\$	\$	\$
Responsible Entity's fees for the year	7,485,305	9,500,981	2,417,869	1,257,330	7,902,795	6,903,267
Total fees payable to the Responsible Entity at year end	593,834	651,981	208,400	160,294	655,848	608,589

	Vanguard International Shares Index Fund		Vanguard International Small Companies Index Fund	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$	\$	\$	\$
Responsible Entity's fees for the year	52,257,306	50,151,309	7,166,235	6,885,197
Total fees payable to the Responsible Entity at year end	4,660,017	3,917,288	627,847	549,041

Notes to the financial statements (continued)

For the year ended 30 June 2023

15 Related party transactions (continued)

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 and information about the Funds' interests in unconsolidated structured entities is included in the following tables. The fair values of a Fund's investments in each of its underlying funds represent the Fund's maximum exposure in these underlying funds.

		Vanguard Emerging Markets Shares Index Fund							
		Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
30 Jun 2023	Unitholder			Units					
	Vanguard LifeStrategy® Conservative Fund	439,799	400,426	Australia	808,179	0.05	13,427	52,800	23,055
	Vanguard LifeStrategy® Balanced Fund	2,360,875	2,298,341	Australia	4,638,742	0.26	62,228	124,762	126,391
	Vanguard LifeStrategy® Growth Fund	5,485,674	5,579,619	Australia	11,261,346	0.64	144,500	50,555	297,095
	Vanguard LifeStrategy® High Growth Fund	8,785,841	9,017,418	Australia	18,199,856	1.04	231,577	-	477,341
	Vanguard Conservative Index Fund	31,559,233	29,001,878	Australia	58,534,490	3.33	828,564	3,385,919	1,657,045
	Vanguard Balanced Index Fund	113,441,213	117,922,287	Australia	238,002,553	13.54	5,613,670	1,132,596	6,285,181
	Vanguard Growth Index Fund	173,585,806	182,287,687	Australia	367,911,238	20.94	8,701,881	-	9,649,483
	Vanguard High Growth Index Fund	159,600,326	181,117,205	Australia	365,548,857	20.80	21,516,879	-	9,348,915
	Vanguard Super*	-	12,097,970	Australia	24,417,331	1.39	12,213,960	115,990	248,516

* This Fund did not hold units during the year ended 30 June 2022.

		Vanguard Emerging Markets Shares Index Fund							
		Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
30 Jun 2022	Unitholder			Units					
	Vanguard LifeStrategy® Conservative Fund	423,506	439,799	Australia	874,538	0.05	65,446	49,153	20,102
	Vanguard LifeStrategy® Balanced Fund	2,192,626	2,360,875	Australia	4,694,601	0.28	178,616	10,367	103,250
	Vanguard LifeStrategy® Growth Fund	4,551,428	5,485,674	Australia	10,908,263	0.66	1,083,029	148,783	224,453
	Vanguard LifeStrategy® High Growth Fund	7,266,148	8,785,841	Australia	17,470,646	1.05	1,591,706	72,013	362,524
	Vanguard Conservative Index Fund	25,023,628	31,559,233	Australia	62,755,535	3.78	6,535,605	-	1,274,999
	Vanguard Balanced Index Fund	85,452,544	113,441,213	Australia	225,577,853	13.59	27,988,669	-	4,534,999
	Vanguard Growth Index Fund	119,080,819	173,585,806	Australia	345,175,375	20.79	54,504,987	-	6,797,420
	Vanguard High Growth Index Fund	105,825,153	159,600,326	Australia	317,365,249	19.12	53,775,173	-	6,188,456

		Vanguard International Property Securities Index Fund							
		Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
30 Jun 2023	Unitholder			Units					
	Vanguard International Property Securities Index Fund (Hedged)	1,189,320,013	1,232,200,584	Australia	1,168,988,694	65.43	407,325,756	364,445,185	42,141,244

Notes to the financial statements (continued)

For the year ended 30 June 2023

15 Related party transactions (continued)

Related party unitholdings (continued)

Vanguard International Property Securities Index Fund									
	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund	
30 Jun 2022	Units	Units		\$	%	Units	Units		\$
Unitholder									
Vanguard International Property Securities Index Fund (Hedged)	1,418,013,969	1,189,320,013	Australia	1,184,681,665	65.11	387,177,221	615,871,177	133,369,209	

Vanguard Global Infrastructure Index Fund									
	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund	
30 Jun 2023	Units	Units		\$	%	Units	Units		\$
Unitholder									
Vanguard Global Infrastructure Index Fund (Hedged)	529,858,331	579,388,631	Australia	731,130,513	55.95	185,343,005	135,812,705	21,558,641	

Vanguard Global Infrastructure Index Fund									
	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund	
30 Jun 2022	Units	Units		\$	%	Units	Units		\$
Unitholder									
Vanguard Global Infrastructure Index Fund (Hedged)	534,277,557	529,858,331	Australia	686,643,411	57.58	206,504,879	210,924,105	43,251,519	

Vanguard International Shares Index Fund									
	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund	
30 Jun 2023	Units	Units		\$	%	Units	Units		\$
Unitholder									
Vanguard Index International Shares Fund	182,600,378	184,895,071	Australia	544,922,752	2.33	11,511,605	9,216,912	20,024,194	
Vanguard LifeStrategy® Conservative Fund	1,460,960	1,141,383	Australia	3,363,882	0.01	114,244	433,821	132,124	
Vanguard LifeStrategy® Balanced Fund	8,862,652	7,496,485	Australia	22,093,639	0.09	396,898	1,763,065	851,082	
Vanguard LifeStrategy® Growth Fund	20,988,787	19,111,073	Australia	56,324,156	0.24	1,420,442	3,298,156	2,130,339	
Vanguard LifeStrategy® High Growth Fund	35,330,090	33,863,266	Australia	99,801,818	0.43	1,477,476	2,944,300	3,728,802	
Vanguard Conservative Index Fund	103,645,760	83,604,932	Australia	246,400,456	1.05	6,469,812	26,510,640	9,613,302	
Vanguard Balanced Index Fund	423,440,461	371,557,179	Australia	1,095,053,319	4.69	19,116,128	70,999,410	42,186,468	
Vanguard Growth Index Fund	665,850,056	655,517,584	Australia	1,931,941,422	8.27	64,141,481	74,473,953	72,242,171	
Vanguard High Growth Index Fund	627,267,714	675,478,117	Australia	1,990,769,109	8.52	90,121,367	41,910,964	73,414,956	
Vanguard International Shares Index Fund (Hedged)	2,776,809,304	2,878,926,367	Australia	8,484,771,792	36.31	509,765,453	407,648,390	312,657,064	
Vanguard MSCI Index International Shares (Hedged) ETF	18,628,399	22,398,590	Australia	2,308,252,943	0.28	5,603,938	1,833,747	43,936,793	

Notes to the financial statements (continued)

For the year ended 30 June 2023

15 Related party transactions (continued)

Related party unitholdings (continued)

Vanguard International Shares Index Fund									
30 Jun 2022	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	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	175,319,029	182,600,378	Australia	455,569,683	2.33	17,253,357	9,972,008	18,944,806	
Vanguard LifeStrategy® Conservative Fund	1,654,508	1,460,960	Australia	3,644,949	0.02	198,577	392,125	155,283	
Vanguard LifeStrategy® Balanced Fund	9,317,374	8,862,652	Australia	22,111,430	0.11	1,552,680	2,007,402	927,338	
Vanguard LifeStrategy® Growth Fund	20,609,381	20,988,787	Australia	52,364,925	0.27	2,517,321	2,137,915	2,160,885	
Vanguard LifeStrategy® High Growth Fund	34,151,964	35,330,090	Australia	88,145,041	0.45	3,871,789	2,693,663	3,624,608	
Vanguard Conservative Index Fund	93,962,141	103,645,760	Australia	258,585,808	1.32	26,485,683	16,802,064	10,598,977	
Vanguard Balanced Index Fund	365,244,118	423,440,461	Australia	1,056,441,606	5.41	98,937,107	40,740,764	43,009,088	
Vanguard Growth Index Fund	547,694,001	665,850,056	Australia	1,661,229,305	8.50	164,023,758	45,867,703	67,280,921	
Vanguard High Growth Index Fund	496,004,594	627,267,714	Australia	1,564,970,221	8.01	172,218,084	40,954,964	62,649,909	
Vanguard International Shares Index Fund (Hedged)	2,432,869,738	2,776,809,304	Australia	6,927,861,534	35.45	663,775,238	319,835,672	284,367,600	
Vanguard MSCI Index International Shares (Hedged) ETF	17,516,904	18,628,399	Australia	1,597,731,647	0.24	4,747,719	3,636,224	30,400,570	

Vanguard International Small Companies Index Fund									
30 Jun 2023	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	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 LifeStrategy® Conservative Fund	524,264	468,512	Australia	824,016	0.05	30,949	86,701	32,800	
Vanguard LifeStrategy® Balanced Fund	3,422,763	3,124,786	Australia	5,495,872	0.31	187,410	485,387	218,925	
Vanguard LifeStrategy® Growth Fund	7,761,915	8,125,409	Australia	14,290,968	0.80	465,613	102,119	536,479	
Vanguard LifeStrategy® High Growth Fund	13,646,065	14,144,381	Australia	24,877,137	1.40	766,788	268,472	936,470	
Vanguard Conservative Index Fund	38,038,939	33,639,386	Australia	59,164,952	3.33	2,080,348	6,479,901	2,368,931	
Vanguard Balanced Index Fund	157,296,547	157,899,205	Australia	277,713,122	15.64	11,248,979	10,646,321	10,767,027	
Vanguard Growth Index Fund	256,736,793	271,401,591	Australia	477,341,119	26.88	14,664,798	-	17,816,819	
Vanguard High Growth Index Fund	245,680,168	278,788,624	Australia	490,333,433	27.61	33,108,456	-	17,931,462	
Vanguard International Small Companies Index Fund (Hedged)	57,297,938	42,996,694	Australia	75,622,585	4.26	9,385,873	23,687,117	2,831,160	
Vanguard Super*	-	16,889,233	Australia	29,704,783	1.67	17,009,012	119,779	650,091	

* This Fund did not hold units during the year ended 30 June 2022.

Notes to the financial statements (continued)

For the year ended 30 June 2023

15 Related party transactions (continued)

Related party unitholdings (continued)

Vanguard International Small Companies Index Fund									
30 Jun 2022	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	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 LifeStrategy® Conservative Fund	569,152	524,264	Australia	820,262	0.06	96,448	141,336	49,804	
Vanguard LifeStrategy® Balanced Fund	3,211,534	3,422,763	Australia	5,355,254	0.36	214,621	3,392	325,939	
Vanguard LifeStrategy® Growth Fund	7,097,777	7,761,915	Australia	12,144,291	0.82	664,138	-	737,592	
Vanguard LifeStrategy® High Growth Fund	11,742,889	13,646,065	Australia	21,350,634	1.43	1,903,176	-	1,266,417	
Vanguard Conservative Index Fund	31,639,975	38,038,939	Australia	59,515,724	3.99	6,398,964	-	3,536,302	
Vanguard Balanced Index Fund	123,160,961	157,296,547	Australia	246,106,177	16.52	34,135,586	-	14,489,495	
Vanguard Growth Index Fund	188,807,233	256,736,793	Australia	401,690,386	26.96	67,929,560	-	23,423,709	
Vanguard High Growth Index Fund	170,179,991	245,680,168	Australia	384,391,192	25.80	75,500,177	-	21,886,432	
Vanguard International Small Companies Index Fund (Hedged)	37,556,658	57,297,938	Australia	89,648,354	6.02	28,405,450	8,664,170	5,380,301	

Investments

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

Vanguard FTSE Europe Shares ETF							
30 Jun 2023	Fair value of investments	Country of Establishment and Principal Place of Business	Interest held	Distributions received/receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	\$		%	\$	Units	Units	\$
Vanguard FTSE Europe ETF	239,324,210	United States	0.85	6,724,244	274,105	1,405,772	-
	239,324,210			6,724,244	274,105	1,405,772	-

Vanguard FTSE Europe Shares ETF							
30 Jun 2022	Fair value of investments	Country of Establishment and Principal Place of Business	Interest held	Distributions received/receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	\$		%	\$	Units	Units	\$
Vanguard FTSE Europe ETF	285,337,548	United States	1.31	9,442,266	1,637,372	354,795	-
	285,337,548			9,442,266	1,637,372	354,795	-

Vanguard FTSE Emerging Markets Shares ETF							
30 Jun 2023	Fair value of investments	Country of Establishment and Principal Place of Business	Interest held	Distributions received/receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	\$		%	\$	Units	Units	\$
Vanguard FTSE Emerging Markets ETF	696,143,988	United States	0.64	19,273,695	1,779,990	325,385	-
	696,143,988			19,273,695	1,779,990	325,385	-

Notes to the financial statements (continued)

For the year ended 30 June 2023

15 Related party transactions (continued)

Investments (continued)

30 Jun 2022	Vanguard FTSE Emerging Markets Shares ETF						
	Fair value of investments	Country of Establishment and Principal Place of business	Interest held	Distributions received/receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	\$		%	\$	Units	Units	\$
Vanguard FTSE Emerging Markets ETF	602,295,810	United States	0.58	16,009,838	1,821,979	884,073	-
	602,295,810			16,009,838	1,821,979	884,073	-

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.

16 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 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Responsible Entity's fees incurred by the Funds	1,344	1,526	9,416	9,707	649	795
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 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$'000	\$'000	\$'000	\$'000
Responsible Entity's fees incurred by the Funds	2,561	2,452	7,485	9,501
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 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Responsible Entity's fees incurred by the Funds	492	217	1,926	1,040	6,334	5,746	1,569	1,157
Management costs per annum	0.35%	0.35%	0.28%	0.28%	0.49%	0.49%	0.47%	0.47%

Notes to the financial statements (continued)

For the year ended 30 June 2023

16 Responsible Entity's fees (continued)

	Vanguard International Small Companies Index Fund			
	Wholesale Class		ETF Class	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$'000	\$'000	\$'000	\$'000
Responsible Entity's fees incurred by the Funds	6,442	6,338	724	547
Management costs per annum	0.39%	0.39%	0.32%	0.32%

	Vanguard International Shares Index Fund					
	Wholesale Class		ETF Class		B Class	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Responsible Entity's fees incurred by the Funds	39,372	39,240	9,360	7,858	3,525	3,053
Management costs per annum	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%

17 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. The cash collateral received are reinvested by the JPM Chase Bank, N.A., Sydney Branch and included under financial assets at fair value through profit or loss in the balance sheet.

	30 Jun 2023			30 Jun 2022		
	Value of outstanding securities on loan	Value of cash collateral	Value of non cash collateral	Value of outstanding securities on loan	Value of cash collateral	Value of non cash collateral
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Vanguard FTSE Asia ex Japan Shares Index ETF	2,521	566	2,477	2,053	-	2,190
Vanguard Emerging Markets Shares Index Fund	20,871	459	22,934	11,065	-	11,831
Vanguard International Property Securities Index Fund	10,795	-	11,983	13,205	-	14,041
Vanguard Global Value Equity Fund	1,357	606	889	2,300	-	2,447
Vanguard Global Infrastructure Index Fund	904	-	992	1,229	-	1,321
Vanguard International Shares Index Fund	21,418	80	23,985	47,015	-	50,280
Vanguard International Small Companies Index Fund	51,121	5,952	50,120	47,294	-	51,024

18 Operating segments

Operating segments are reported in a manner consistent with internal reporting used by the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Directors of the Responsible Entity. The Funds' investments are managed on a single portfolio basis in one operating segment, being investments in equity securities, listed unit trusts, fixed interest securities, derivatives and cash and cash equivalents, and performance is reviewed against the Funds' investment objective.

19 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 2023 or on the results and cash flows of the Funds for the year ended on that date.

20 Contingent assets, contingent liabilities and commitments

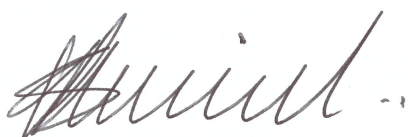
There are no outstanding contingent assets, liabilities or commitments as at 30 June 2023 (30 June 2022: Nil).

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 9 to 69 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 2023 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.



Daniel Shrimski
Managing Director, Vanguard Investments Australia Ltd
Melbourne
13 September 2023



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 International Shares Index Fund*
- Vanguard International Small Companies Index Fund*

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

*denotes listed Funds

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of the 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 2023 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 2023
- 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 significant accounting policies and other explanatory information
- the directors' declaration.

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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Liability limited by a scheme approved under Professional Standards Legislation.

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 & 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.

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 structure of the Funds, the accounting processes and controls and the industry in which the Funds operate.



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 is most commonly measured and is a generally accepted benchmark.
- 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 matter was 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 this matter. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matter to the Audit Committee.

Key audit matter	How our audit addressed the key audit matter
<p>Investments in financial assets at fair value through profit or loss <i>Refer to note 2 (Summary of significant accounting policies) and note 4 (Fair value measurement)</i></p> <p>At 30 June 2023, investments in financial assets at fair value through profit or loss comprised primarily of investments in listed equity securities and listed unit trusts.</p> <p>Investments in financial assets at fair value through profit or loss 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.</p>	<p>To assess the design and operating effectiveness of the service providers' relevant controls, we performed the following procedures, amongst others:</p> <ul style="list-style-type: none">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 those service providers, and that included an audit opinion from the service provider auditor 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 service provider's auditor on the design and operating effectiveness of controls, to the extent relevant to our audit of the Funds. <p>We inspected an audit report issued by the third-party service provider's auditor on the valuation and existence of the Funds' investments as at balance sheet date. We compared the value of the investments at 30 June 2023 as recorded in the Funds' financial report and underlying accounting records to this report.</p>

Other information

The directors of the Responsible Entity (the directors) are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2023, 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 through our opinion on the financial report.

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.

Responsibilities of the directors for the financial report

The directors 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 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 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 either intend to liquidate the Funds or to cease operations, or have no realistic alternative but to do so.

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, for the listed funds and

https://www.auasb.gov.au/auditors_responsibilities/ar6.pdf, for the unlisted funds. These descriptions form part of our auditor's report.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers' in a cursive script.

PricewaterhouseCoopers

A handwritten signature in black ink that reads 'Adrian Gut' in a cursive script.

Adrian Gut
Partner

Melbourne
13 September 2023

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