

Diversified Investments

A focus on product design and suitability

Choose from four multi-asset, low-cost investments based on what your clients are looking to achieve, how long they have to invest and how much risk they are prepared to take on. Choose the structure that best suits their needs — a traditional managed fund, an index ETF or a managed account strategy¹.



Exchange traded funds

MER 0.27% p.a.



Managed funds

MER 0.29% p.a.



Managed account strategies

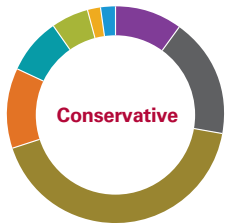
MER 0.32%²

Vanguard Conservative Portfolio

Target asset allocation: Where your money is invested

Risk profile: 70% income, 30% Growth

Exposure to listed property is captured through domestic and global shares.



- 10.0 Cash
- 18.0 Australian Fixed Interest
- 42.0 International Fixed Interest (Hedged)
- 12.0 Australian Shares
- 8.5 International Shares
- 5.5 International Shares (Hedged)
- 2.0 International Small Companies
- 2.0 Emerging Markets

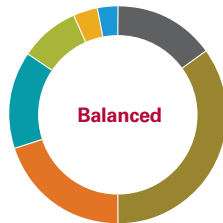


Vanguard Balanced Portfolio

Target asset allocation: Where your money is invested

Risk profile: 50% income, 50% Growth

Exposure to listed property is captured through domestic and global shares.



- 15.0 Australian Fixed Interest
- 35.0 International Fixed Interest (Hedged)
- 20.0 Australian Shares
- 14.5 International Shares
- 9.0 International Shares (Hedged)
- 3.5 International Small Companies
- 3.0 Emerging Markets

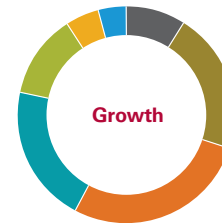


Vanguard Growth Portfolio

Target asset allocation: Where your money is invested

Risk profile: 30% income, 70% Growth

Exposure to listed property is captured through domestic and global shares.



- 9.0 Australian Fixed Interest
- 21.0 International Fixed Interest (Hedged)
- 28.0 Australian Shares
- 20.5 International Shares
- 12.5 International Shares (Hedged)
- 5.0 International Small Companies
- 4.0 Emerging Markets



Vanguard High Growth Portfolio

Target asset allocation: Where your money is invested

Risk profile: 10% income, 90% Growth

Exposure to listed property is captured through domestic and global shares.



- 3.0 Australian Fixed Interest
- 7.0 International Fixed Interest (Hedged)
- 36.0 Australian Shares
- 26.5 International Shares
- 16.0 International Shares (Hedged)
- 6.5 International Small Companies
- 5.0 Emerging Markets



Vanguard Diversified Investments

See what's possible

Invest with us

To find out how Vanguard's diversified investments can help your business and your clients, contact your Client Sales Executive or Adviser Services.

Connect with Vanguard™

> adviserservices@vanguard.com.au

> vanguard.com.au

> 1300 655 205

Vanguard Diversified Funds quartile ranking (December 2018)

Quartile rank within Morningstar category peer group³. Vanguard Wholesale Diversified Funds as at December 2018.

| | Conservative | Balanced | Growth | High Growth |
|------------------------|-----------------------------|-------------------------------------|----------------------------|----------------------------|
| 1 year | ● 1 st (11/59) | ● 1 st (14/65) | ● 1 st (20/93) | ● 1 st (16/74) |
| 3 years | ● 1 st (5/53) | ● 1 st (11/55) | ● 1 st (14/85) | ● 1 st (14/65) |
| 5 years | ● 1 st (2/52) | ● 1 st (2/52) | ● 1 st (6/82) | ● 1 st (9/61) |
| 7 years | ● 1 st (4/51) | ● 1 st (4/46) | ● 1 st (6/76) | ● 1 st (12/55) |
| 10 years | ● 1 st (9/48) | ● 1 st (6/40) | ● 1 st (8/69) | ● 1 st (12/48) |
| X(Y/Z) | X: Quartile rankings | Y: Ranking versus peer group | Z: Total peer group | |
| Quartile ranking guide | ● 1 st Quartile | ● 2 nd Quartile | ● 3 rd Quartile | ● 4 th Quartile |

¹ Available only through external platform providers. Please visit vanguard.com.au/managed-account-strategies for more information.

² Please refer to product issuer's offer documents for further details on the fee components.

³ Peer group only includes surviving funds and has not been adjusted for survivorship bias. Source: Morningstar, December 2018 Source: Vanguard Investments Australia Ltd. Returns are net of fees. Assumes 100% reinvestment of distributions. Note: Past performance is not an indication of future performance.

Your clients all have dreams they want to achieve. Buying a first home. Helping the kids get a great education. Enjoying a comfortable retirement.

Whatever their goals and dreams may be, you need the right solutions to show them what's possible. With Vanguard's Diversified Investments, *see what's possible*.

Comparing investment strategies

The investment structure you choose depends on your client's individual circumstances and your business model, here are some key features to note about each of the structures.

| Feature | Managed Fund | ETFs | Managed Account |
|-------------------------------------|--------------|------|-----------------|
| Professional investment management | ✓ | ✓ | ✓ |
| Avoid embedded tax positions | ✗ | ✓ | ✓ |
| Beneficial ownership of assets | ✓ | ✓ | ✓ |
| Transparent holdings | ✓ | ✓ | ✓ |
| Potential for lower brokerage costs | N/A | ✗ | ✓ |
| Intra day pricing | ✗ | ✓ | ✗ |
| Trading flexibility | ✗ | ✓ | ✗ |
| Require an ASX broker account | ✗ | ✓ | ✗ |
| In-specie transfers | ✓ | ✓ | ✓ |