



Factsheet | 30 April 2018

Vanguard FTSE Asia ex Japan High Dividend Yield Index ETF (HKD: 3085 / RMB: 83085 / USD: 9085)

An exchange-traded fund

IMPORTANT: Investment involves risk, including the loss of principal. Investors are advised to consider their own investment objectives and circumstances in determining the suitability of an investment in the Vanguard FTSE Asia ex Japan High Dividend Yield Index ETF (the "Fund"). If you are in any doubt, you should seek professional advice. Investors should refer to the fund prospectus for further details, including the product features and risk factors. Investors should not base investment decisions on this marketing material alone. Investors should note:

- The Fund aims to provide investment results that, before fees and expenses, closely correspond to the performance of the FTSE Asia Pacific ex Japan, Australia, and New Zealand High Dividend Yield Index ("Underlying Index").
- The Fund invests in securities markets that are considered to be emerging markets which involve a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund invests in financial derivatives instruments ("FDIs"), which are more sensitive to changes in market prices of the underlying assets, and investing in FDIs may expose investors to a higher degree of fluctuation and the Fund may be exposed to credit risk on the counterparties with which it trades FDIs.
- Investing in high dividend yield securities may offer a higher rate of dividend yield. However, high dividend yield securities are subject to risks that the dividend could be reduced or abolished, or the risks that the value of the securities could decline or have lower-than-average potential for price appreciation.
- There is no guarantee that the constituent securities of the Underlying Index will declare or pay out dividends. Therefore, there is no guarantee that the Fund's investment objectives will be met. There is also no guarantee of dividend or distribution payments by the Fund during the period an investor holds units in the Fund. Dividend yields from the Fund's investments may fluctuate up or down as a result of changes in the dividend policy or performance of the underlying constituent securities in which the Fund is invested. Further, there is no assurance that the distribution yield of the Fund is the same as that of the Underlying Index.
- The units of the Fund are traded on the Stock Exchange of Hong Kong Limited ("SEHK"). Their prices on the SEHK are based on secondary market trading factors, and the Fund's market prices may deviate significantly from the net asset value.
- The limited availability of RMB outside the PRC may affect the liquidity and trading price of RMB traded units. Investors who buy and sell units traded in RMB counter are exposed to foreign exchange currency risk arising from the fluctuations between the base currency and the RMB.
- The market price of units traded in each HKD, RMB and USD counter may deviate from each other significantly. Further, if there is a suspension of the inter-counter transfer of units between the counters and/or any limitation on the level of services by brokers, investors will only be able to trade their units in one counter only.

Key fund facts

| | |
|-------------------------------|--|
| Benchmark | FTSE Asia Pacific ex Japan, Australia, and New Zealand High Dividend Yield Index |
| Base currency | HKD |
| Distribution schedule* | Quarterly |
| Net assets | \$319 million |
| Inception date | 10 June 2014 |
| Ongoing charges (per annum)** | 0.35% |
| Manager | Vanguard Investments Hong Kong Limited |

Investment approach

- The Fund seeks to track the performance of the FTSE Asia Pacific ex Japan, Australia and New Zealand High Dividend Yield Index, before deduction of fees and expenses.
- Employs a passively managed, representative sampling strategy to gain exposure to developed and emerging equity markets in Asia (excluding Japan).

About the benchmark

- Derived from the FTSE Global Equity Index Series (GEIS), which covers 98% of the world's investable market capitalisation.
- Constituents are characterised by higher-than-average dividend yields.
- Excludes common stocks located in Japan, Australia and New Zealand.

Trading information

| | |
|---------------------|---|
| Stock code | 3085 |
| Trading currency | HKD |
| Listing date | 13 June 2014 |
| SEDOL | BMP3847 |
| ISIN | HK0000188703 |
| Intraday NAV ticker | 3085iv.P |
| Bloomberg ticker | 3085 HK |
| Benchmark ticker | TGPVAN45 |
| Exchange | The Stock Exchange of Hong Kong Limited |
| Trading lot size | 100 |

| |
|---|
| 83085 |
| RMB |
| 9 April 2018 |
| BDSHD60 |
| HK0000399037 |
| 83085iv.P |
| 83085 HK |
| TGPVAN45 |
| The Stock Exchange of Hong Kong Limited |
| 100 |

| |
|---|
| 9085 |
| USD |
| 9 April 2018 |
| BDSHD59 |
| HK0000399029 |
| 9085iv.P |
| 9085 HK |
| TGPVAN45 |
| The Stock Exchange of Hong Kong Limited |
| 100 |

*At the Manager's absolute discretion and distributions will be made in the base currency only.

**Ongoing charges (per annum) is expressed as a percentage of the average net asset value of the Fund, including Manager's fee and all costs and expenses connected with the management and operating activities of the Fund. Please refer to the Fund's prospectus and product key facts statement for details.

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Performance history

Total returns for period ending 30 April 2018

| | 3 months† | Year to date† | 1 year†† | 3 years†† | 5 years†† | Since inception†† |
|-----------|-----------|---------------|----------|-----------|-----------|-------------------|
| Fund | -4.99% | 3.56% | 19.80% | 5.13% | — | 7.40% |
| Benchmark | -4.90% | 3.69% | 20.33% | 5.65% | — | 7.80% |

†Cumulative monthly return.

††Annualised return.

#Return since fund inception on 10 June 2014.

Fund performance is calculated on NAV to NAV basis in base currency and assumes dividend reinvestment.

Index performance is calculated in HKD based on total return and net of tax basis. The performance of an index is not an exact representation of any particular investment as you cannot invest directly in the Benchmark. The historical performance of the Benchmark is for illustrative purposes only. The historical performance of the Benchmark is not meant to forecast, imply or guarantee the future performance of the Fund. Benchmark performance does not reflect tracking error, charges and expenses associated with the Fund or brokerage commission associated with buying and selling the Fund.

Characteristics

| | Fund | Benchmark |
|----------------------------------|----------|-----------|
| Number of stocks | 338 | 335 |
| Median market cap | \$214.0B | \$214.0B |
| Price/earnings ratio | 10.7x | 10.7x |
| Price/book ratio | 1.3x | 1.3x |
| Return on equity | 13.5% | 13.5% |
| Earnings growth rate | 4.9% | 4.9% |
| Cash investments | 0.0% | — |
| Turnover rate (as of 31/12/2017) | 0% | — |
| Equity yield (dividend) | 3.7% | 3.7% |

Top 10 holdings

| | Fund |
|---|-------|
| Taiwan Semiconductor Manufacturing Co. Ltd. | 8.7% |
| China Construction Bank Corp. | 4.5 |
| Industrial & Commercial Bank of China Ltd. | 3.3 |
| China Mobile Ltd. | 2.4 |
| Hon Hai Precision Industry Co. Ltd. | 2.0 |
| Bank of China Ltd. | 2.0 |
| DBS Group Holdings Ltd. | 1.9 |
| Oversea-Chinese Banking Corp. Ltd. | 1.6 |
| Samsung Electronics Co. Ltd. | 1.6 |
| CK Hutchison Holdings Ltd. | 1.5 |
| Total | 29.5% |

Participating dealers

| |
|--|
| Credit Suisse Securities (Hong Kong) Limited |
| Goldman Sachs (Asia) Securities Limited |
| Macquarie Bank Limited |
| Merrill Lynch Far East Limited |
| ABN AMRO Clearing Hong Kong Limited |
| SG Securities (HK) Limited |
| UBS Securities Hong Kong Limited |
| China International Capital Corporation Hong Kong Securities Limited |
| CIMB Securities Limited |
| BNP Paribas Securities Services |

For the latest list of market makers, please visit http://www.hkex.com.hk/Market-Data/Securities-Prices/Exchange-Traded-Products?sc_lang=en

For more information

Web: vanguard.com.hk
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Source: The Vanguard Group, Inc. and FTSE International Limited.

Calendar year returns

| | Fund | Benchmark |
|-------|---------|-----------|
| 2013 | — | — |
| 2014† | 2.03% | 1.85% |
| 2015 | -12.40% | -12.09% |
| 2016 | 9.46% | 10.14% |
| 2017 | 30.24% | 30.97% |

Sector weighting

| | Fund | Benchmark |
|--------------------|--------|-----------|
| Basic Materials | 5.0% | 5.0% |
| Consumer Goods | 7.6 | 7.7 |
| Consumer Services | 2.3 | 2.3 |
| Financials | 42.8 | 42.8 |
| Industrials | 9.6 | 9.5 |
| Oil & Gas | 7.8 | 7.8 |
| Technology | 13.0 | 13.0 |
| Telecommunications | 7.2 | 7.2 |
| Utilities | 4.7 | 4.7 |
| Total | 100.0% | 100.0% |

Sector categories are based on the Industry Classification Benchmark system ("ICB"), except for the "Other" category (if applicable), which includes securities that have not been provided an ICB classification as of the effective reporting period.

Country diversification - Ten largest markets as a % of total assets

| | Fund | Benchmark |
|-------------|-------|-----------|
| China | 31.2% | 31.2% |
| Taiwan | 25.3 | 25.3 |
| Hong Kong | 13.0 | 13.0 |
| Singapore | 8.7 | 8.7 |
| Korea | 8.3 | 8.3 |
| Thailand | 4.7 | 4.7 |
| Malaysia | 4.4 | 4.4 |
| India | 2.3 | 2.3 |
| Indonesia | 1.5 | 1.5 |
| Philippines | 0.4 | 0.4 |
| Total | 99.8% | 99.8% |