Vanguard Global Value Factor UCITS ETF

Product brief

Designed to meet two distinct investment objectives

Value investing
Value investing is a long-standing investment approach often favoured by investors wishing to outperform the market over the long term. It aims to capture the potential premiums of low-valued shares, which are shares that look inexpensive compared with the company's fundamentals.

Global equity exposure
Global equity portfolios offer investors the broadest possible opportunity set. The ability to invest in large, mid and small capitalisation shares in 26 developed markets across all sectors provides significant scope for diversification.

Why Vanguard Global Value Factor UCITS ETF

Factor exposure – a robust quantitative approach that aims to maintain consistent exposure to the value factor.

Actively managed – the portfolio management team selects shares and construct the portfolio using quantitative models that are designed to ensure exposure to the value factor while keeping tight control over transaction costs.

Low cost – as a low-cost fund, investors get to keep more of the fund's returns.

Global – as the performance of different countries and regions isn't always correlated and at times can be significantly different, a global mandate offers more potential to lower volatility risk compared with country or regional mandates.

Seeks to provide global equity exposure focused on value investing

Product summary

- A long-only, broadly diversified investment strategy that invests in developed market equities.
- A portfolio that seeks significant exposure to the value factor, which has shown to provide long-term outperformance.
- An actively managed fund with a flexible investment strategy that can adapt to changing market conditions and maintain exposure to low value shares.

Key facts

Ongoing charges figure	0.22%
Investment universe	FTSE Developed All Cap Index and Russell 3000 Index

Risks

Please read the risk factors section in the prospectus for information on the risks involved in investing in this ETF, in particular stock market risk, active management risk, concentration risk and currency risk.

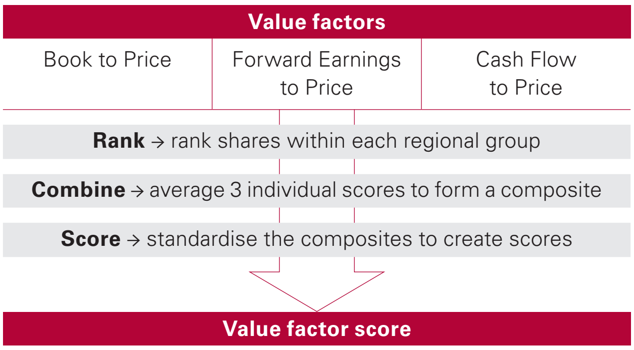
Vanguard Global Value Factor UCITS ETF is managed by Vanguard Quantitative Equity Group

- Vanguard Quantitative Equity Group manages £15 billion globally across a wide range of successful equity mandates.
- Our investment approach is to invest in a disciplined and risk-controlled manner.
- Vanguard's investment team consists of more than 130 investment professionals including portfolio managers, traders, analysts, researchers and support staff.

Vanguard Quantitative Equity Group investment approach to factor investing

The investment universe is primarily the FTSE Developed All Cap Index. Portfolio managers use quantitative models to assess equities in a broad universe of securities for their value characteristics and assign a value factor score to each equity.

High-scoring stocks are included in the portfolio and weighted according to their score, subject to a given set of risk controls. These controls aim to create a globally diversified portfolio, keep transaction costs low and maintain significant exposure to the value factor.



Source: Vanguard. Chart represents Vanguard's proprietary factor portfolio construction process and is for illustration purpose only.

Risk management is a critical, integrated part of our investment process

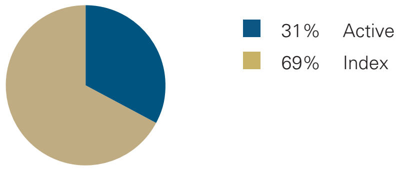
Vanguard's Risk Management Group supports the investment process by providing high-quality analysis, insight and reporting that leads to informed risk taking and objective global risk management.

- The Risk Management Group reports directly to Vanguard's chief investment officer to provide an additional, independent layer of risk control to the investment process.
- The team is responsible for four primary risk management functions: investment risk, operational risk, quantitative research and analysis, and process excellence.

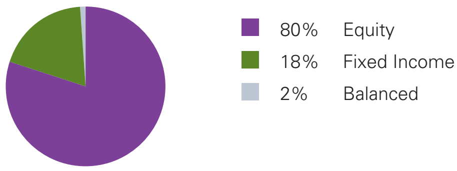
Vanguard global assets under management

(as of December 2014)

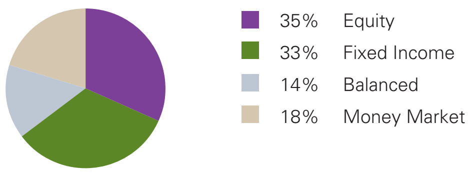
Total assets under management: £2,000 bn



Passively managed assets: £1,381 bn



Actively managed assets: £619 bn



Source: Vanguard

Connect with Vanguard® > global.vanguard.com

Important information

This document is directed at professional investors and should not be distributed to, or relied upon by retail investors.

This document is designed for use by, and is directed only at persons resident in the UK.

The material contained in this document is not to be regarded as an offer to buy or sell or the solicitation of any offer to buy or sell securities in any jurisdiction where such an offer or solicitation is against the law, or to anyone to whom it is unlawful to make such an offer or solicitation, or if the person making the offer or solicitation is not qualified to do so. The information on this document does not constitute legal, tax, or investment advice. You must not, therefore, rely on the content of this document when making any investment decisions.

The value of investments, and the income from them, may fall or rise and investors may get back less than they invested.

ETF shares can be bought or sold only through a broker. Investing in ETFs entails stockbroker commission and a bid- offer spread which should be considered fully before investing.

The fund may invest in financial derivative instruments that could increase or reduce exposure to underlying assets and result in greater fluctuations of the fund's net asset value. Some derivatives give rise to increased potential for loss where the fund's counterparty defaults in meeting its payment obligations.

The fund invests in securities which are denominated in different currencies. The value of these investments may fall or rise as a result of change in exchange rates.

The Manager of Vanguard Funds plc is Vanguard Group (Ireland) Limited. Vanguard Asset Management Limited is the distributor of Vanguard Funds plc. Vanguard Funds plc has been authorised by the Central Bank of Ireland as a UCITS. Prospective investors are also urged to consult their own professional advisors on the implications of making an investment in, and holding or disposing shares of the Funds and the receipt of distributions with respect to such shares under the law of the countries in which they are liable to taxation For further information on the funds investment policy, please refer to the Key Investor Information Document (KIID). The KIID and the Prospectus for this fund is available in local languages from Vanguard via our website https://global.vanguard.com/.

Issued by Vanguard Asset Management, Limited which is authorised and regulated in the UK by the Financial Conduct Authority.

VAM-2015-20-13-2982