



VANGUARD ETF SERIES
(the "TRUST")

*A Hong Kong umbrella unit trust authorized
under Section 104 of the Securities and Futures Ordinance (Cap.571) of Hong Kong*

VANGUARD FTSE ASIA EX JAPAN INDEX ETF (Stock Code: 2805)
VANGUARD FTSE DEVELOPED EUROPE INDEX ETF (Stock Code: 3101)
VANGUARD FTSE JAPAN INDEX ETF (Stock Code: 3126)
VANGUARD FTSE ASIA EX JAPAN HIGH DIVIDEND YIELD INDEX ETF (Stock Code: 3085)
(together, the "Sub-Funds")

NOTICE TO UNITHOLDERS

Important

The Stock Exchange of Hong Kong Limited (the "SEHK"), Hong Kong Exchanges and Clearing Limited, Hong Kong Securities Clearing Company Limited and the Securities and Futures Commission (the "SFC") take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

If you are in doubt about the contents of this document, you should seek independent professional financial advice. SFC authorization is not a recommendation or endorsement of the Trust or the Sub-Funds nor does it guarantee the commercial merits of the Trust or the Sub-Funds or their performance. It does not mean the Trust or any Sub-Fund is suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

All capitalized terms used in this document have the same meaning as in the prospectus of the Trust dated 3 June 2014 (as amended by addenda dated 27 October 2014 and 2 January 2015) (the "Prospectus"), unless otherwise defined herein. The Vanguard Group, Inc., the Manager of the Trust and the Sub-Funds, accepts full responsibility for the accuracy of the information contained in this document and confirms that, having made all reasonable enquiries, to the best of its knowledge and belief there are no other facts the omission of which would make any statement in this document misleading as at the date of publication of this document.

We are writing to inform you that with effect from 22 April 2015 (the "Effective Date") the following changes will be made:

1 Change of Manager

With effect on and from the Effective Date, the manager of the Trust and the Sub-Funds will be changed from The Vanguard Group, Inc. ("Vanguard") to Vanguard Investments Hong Kong Limited (the "New Manager").

The change of manager of the Trust and the Sub-Funds is being implemented as part of the expansion of the New Manager's business operations in Hong Kong. The New Manager is a wholly owned Hong Kong subsidiary of Vanguard and is currently the Hong Kong Representative of the Trust and the Sub-Funds.

The New Manager was incorporated in Hong Kong on 26 October 2010 and is currently licensed by the SFC (CE Reference: AYT820) to conduct Type 1 (Dealing in Securities), Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities in Hong Kong. Further details about the New Manager, including the directors of the New Manager and the obligations and liabilities of the New Manager will be set out in the Prospectus (as amended by an addendum to reflect the change in manager of the Trust and the Sub-Funds dated 22 April 2015).

On the Effective Date, the New Manager will be appointed simultaneously with (i) the retirement of Vanguard as the manager of the Trust and the Sub-Funds; and (ii) the termination of the New Manager's appointment as the Hong Kong Representative of the Trust and the Sub-Funds. The Trust Deed has been amended by way of Supplemental Deed No. 3 dated 19 March 2015 to reflect the above changes as at the Effective Date.

The New Manager will continue to delegate the investment management function for each of the Sub-Funds to Vanguard Investments Australia Ltd. The key features of each of the Sub-Funds, including the investment objectives, policies and restrictions, fee structures, dealing and pricing arrangements will remain unchanged.

The trading of the Units of the Sub-Funds on the SEHK also remains unchanged.

The legal and administrative costs to effect the above changes amount to approximately HKD 300,000 and will be borne by the New Manager. The expenses and charges of each of the Sub-Funds payable by the respective Sub-Fund and the Unitholders of the respective Sub-Fund will remain unchanged.

The Trustee, Vanguard and the New Manager are of the opinion that the change of manager of the Trust and the Sub-Funds does not require a special or extraordinary resolution of Unitholders as it does not materially prejudice Unitholders' interests, does not to any material extent release the Trustee, Vanguard, the New Manager or any other person from any liability to Unitholders and does not increase the costs and charges payable from the Sub-Funds.

2 Change of the Dealing Deadline

From the Effective Date, the Dealing Deadline for each Sub-Fund will be amended to include the additional flexibility that any particular Dealing Deadline for creation or redemption of Units may be such later time with respect to a particular Dealing Day which is permitted by the Manager in good faith for the interest of the investors and having regard to any material adverse effect on the Trust or the relevant Sub-Fund, and after obtaining the Trustee's approval under exceptional circumstances. Such exceptional circumstances may include (but are not limited to) circumstances where a creation or redemption application(s) has been accepted for a Sub-Fund with respect to a particular Dealing Day and for the purpose of minimising any adverse impact of such creation or redemption on the relevant Sub-Fund, the Dealing Deadline for creation(s) or redemption(s) of Units is extended on that particular Dealing Day.

3 Notification Channel for Suspensions

From the Effective Date, publication of notices of any suspension of the creation and redemption of Units, any decision to suspend trading in Units by the SEHK and the calculation of the Net Asset Value of the relevant Sub-Fund's portfolio and of each Unit would no longer be published in newspapers. All notices relating to any suspension of dealing or trading of a Sub-Fund will be published on the Sub-Funds' website (www.vanguard.com.hk) immediately following such suspension and at least once a month for the duration of the suspension. The Sub-Funds' website has not been reviewed or authorised by the SFC.

4 Waiver of Stamp Duty Payable by Unitholders

Pursuant to the Stamp Duty (Amendment) Ordinance 2015, stamp duty payable on the sale or purchase of shares or units of exchange traded funds traded on the SEHK is waived with effect from 13 February 2015. Accordingly, no stamp duty will be payable by Unitholders of the Sub-Funds on any transfer of Units.

Electronic copies of the Prospectus (including an addendum to reflect the above changes and to update the top 10 constituents of the Underlying Index for each Sub-Fund) and the updated KFS of the Sub-Funds will be available on the Sub-Funds' website (www.vanguard.com.hk) and the SEHK's website (www.hkexnews.hk) on 22 April 2015. The Sub-Funds' website has not been reviewed or authorised by the SFC.

Hard copies of the Prospectus (including an addendum to reflect the above changes), the KFS of the Sub-Funds, the Trust Deed and all supplemental deeds (including Supplemental Deed No. 3 dated 19

March 2015 to reflect the change of manager) are available for inspection at the New Manager's office located at Level 20, Man Yee Building, 60-68 Des Voeux Road Central, Central, Hong Kong (telephone number: +852 3409 8333) during normal office hours (Monday to Friday (excluding public holidays), from 9:00a.m. to 5:30p.m.).

If you have any queries or concerns regarding the above changes, please direct them to your financial adviser or contact our Hong Kong Representative, the New Manager, at the address or telephone number mentioned above.

The Vanguard Group, Inc.

20 March 2015