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- The Fund seeks to provide investment results that, before fees and expenses, closely correspond to the performance of the FTSE Total China Connect Index.
- The Fund concentrates its investments in Chinese securities and the PRC market may be more volatile than other markets and may be subject to a higher level of risks compared to investing in a more diversified portfolio/strategy. The value of the Fund may also be more susceptible to the adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory events affecting the PRC market.
- The Stock Connect is subject to quota limitations and its relevant rules and regulations are subject to change which may have potential retrospective effect. Where a suspension in the trading through the programme is effected, the Fund's ability to invest in China A-Shares or access the PRC market through the programme will be adversely affected.
- 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 base currency of the Fund is RMB and distributions are made in RMB only. RMB is currently not freely convertible and is subject to exchange controls and restrictions. Non-RMB based investors are exposed to foreign exchange risk. The limited availability of RMB outside the PRC may affect the liquidity and trading price of RMB traded units.
- 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.

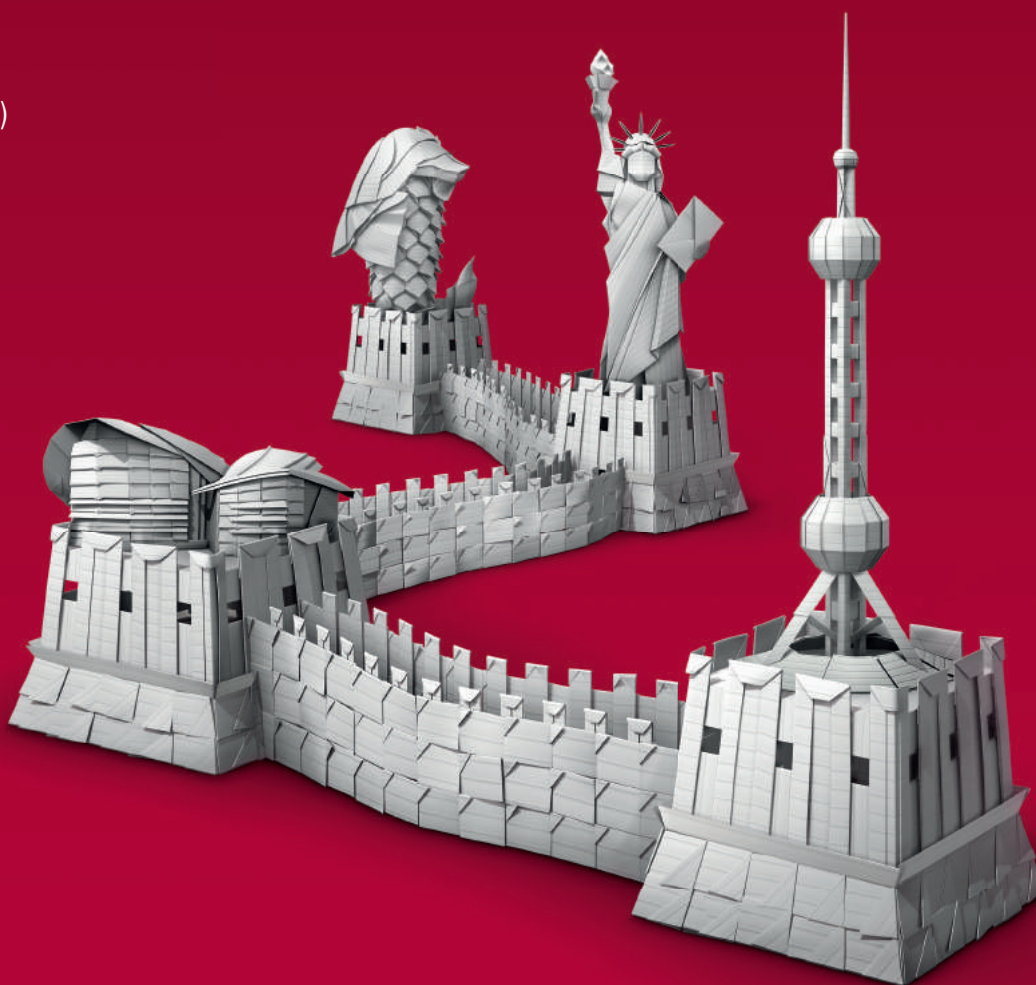
Vanguard Total China Index ETF

Capture China's diverse growth opportunities at low cost

3169 (HKD)

83169 (RMB)

9169 (USD)



Vanguard[®]

Vanguard Total China Index ETF seeks to track the performance of FTSE Total China Connect Index, which covers large and mid-cap Chinese stocks in all major share classes listed in or outside China, capturing China's diverse growth opportunities at low cost.

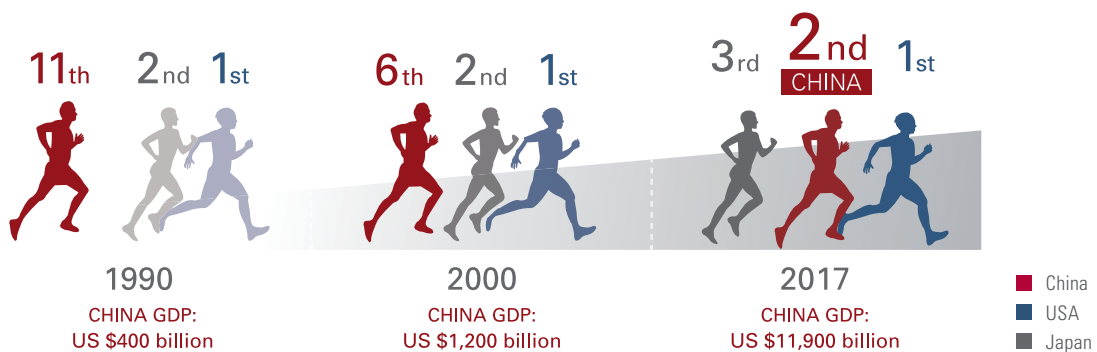
Why invest?



Broad participation in China's long-term growth potential

- China has become the world's second-largest economy, just following the United States. Between 2000 and 2016, its share of global GDP more than tripled from 4% to 15%.¹
- Encouraging progress in economic rebalancing and recent policy emphasis on growth quality over quantity bode well for China's long-term growth sustainability.

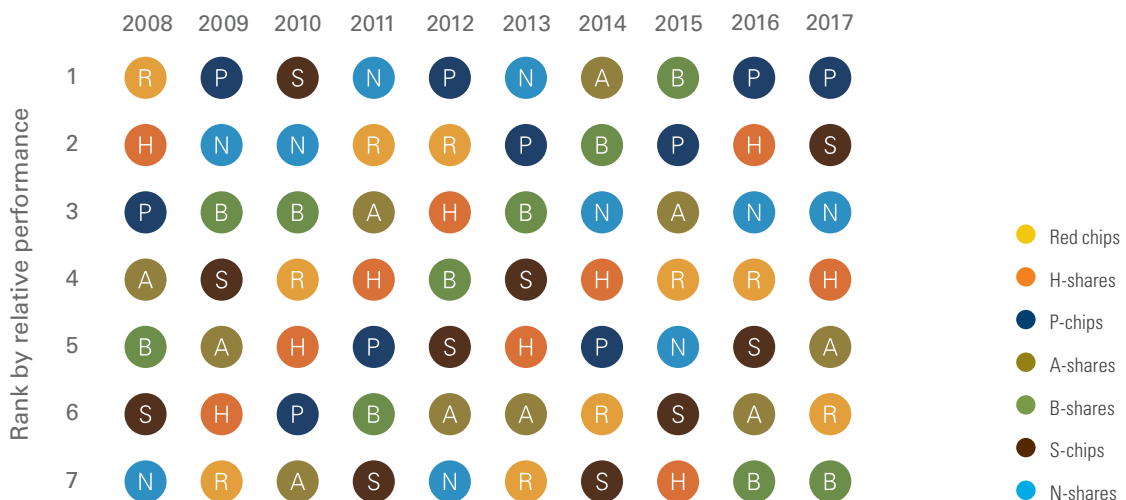
China's global GDP rank over the years¹



Diversified access to all major share classes of Chinese stocks listed globally

- Seeks to track the performance of the more than 1,000 stocks in the benchmark index.
- Over the past ten years, there has not been a consistent top performer in China's equity market. Having a diversified portfolio with access to all major Chinese share classes could help minimise return cyclicality.

The next 'winning' share class is hard to predict²



¹ Source: Vanguard, using data from World Bank.

² Relative performance of various Chinese share classes is based on total returns in USD of the respective index. Red chips represented by FTSE China Red Chip Large/Mid Cap Index; H-shares represented by FTSE China H Share Large/Mid Index; P-chips represented by FTSE China P Chip Large/Mid Cap Index; A-shares represented by FTSE China A Index; B-shares represented by FTSE China B Share Large/Mid Index; S-chips represented by FTSE China S Chip Large/Mid Cap Index; and N-shares represented by FTSE China N Share Large/Mid Cap Index. Investment involves risk. Past performance is not indicative of future performance. For illustrative purpose only.

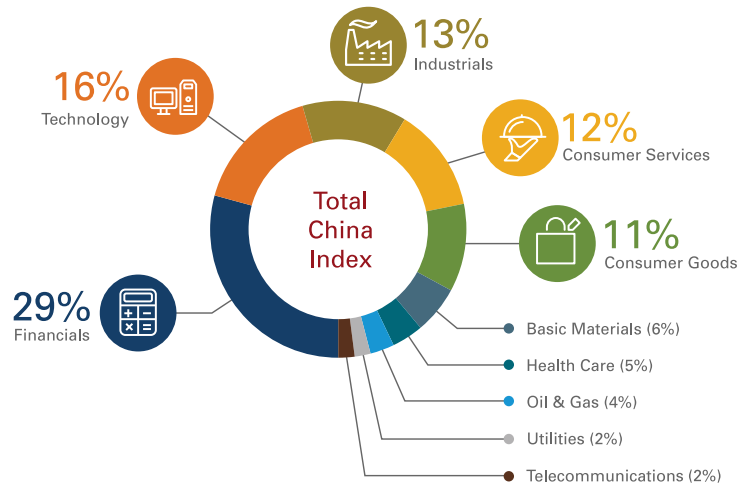
Source: Vanguard, using data from FTSE Russell and Bloomberg.



Balanced sector exposure to Chinese stocks

- Diversifies across industry sectors. Unlike some China indices, not highly concentrated in financials: Top three sectors represent less than 60% of the benchmark index.
- Helps mitigate sector concentration risk and provides investors with an opportunity to take part in China's growth potential.

Benchmark index sector exposure³



Low-cost, convenient and flexible trading



Low-cost

Ongoing charges (OC) of 0.40% per annum⁴, lower than the asset-weighted average OC of 0.78% of all other Chinese equity ETFs listed on the HKEX⁵



Convenient

Access to all major Chinese share classes listed across the globe with just one trade during HKEX trading hours



Flexible

Multiple currency options: HKD, RMB and USD.

Key fund facts

Fund name	Vanguard Total China Index ETF
Benchmark	FTSE Total China Connect Index
Stock code	3169 (HKD), 83169 (RMB), 9169 (USD)
Base currency	RMB
Ongoing charges ⁴	0.40% (per annum)
Listing date	10 May 2018
Strategy	Representative sampling
Exchange	The Stock Exchange of Hong Kong Limited

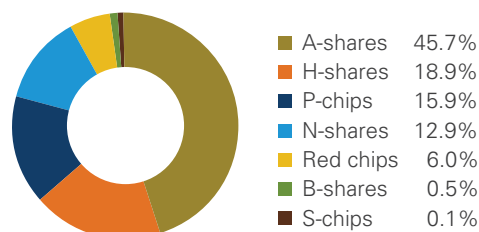
About Vanguard⁶

Founded	1975
Global AUM (USD)	5 trillion
– ETFs	Almost 1 trillion
– Mutual funds	More than 4 trillion
Products offered	More than 390 funds and ETFs worldwide

About the benchmark³

Benchmark name	FTSE Total China Connect Index
Universe	Large- and mid-cap Chinese equities listed in or outside China
Net market capitalisation (CNH)	19.25 trillion
Number of constituents	1,058
Top 10 holdings (% of index market cap)	30.1%

Benchmark share class breakdown³

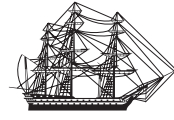


³ Data as at 30 March 2018 using the FTSE Russell Factsheet of FTSE Total China Connect Index.

⁴ 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.

⁵ Based on categorisation of Chinese equity ETFs on the HKEX. Source: Bloomberg and HKEX, as at 29 March 2018.

⁶ Source: Vanguard as at 31 March 2018.



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