

# 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 (HKD)	372 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, replication strategy and/or representative sampling strategy<sup>†</sup> 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.

†As defined under Code on Unit Trusts and Mutual Funds issued by the SFC.

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### Performance history

Total returns for period ending 28 February 2021

	3 months†	Year to date†	1 year††	3 years††	5 years††	Since inception††
Fund	13.29%	7.16%	31.00%	5.73%	13.24%	6.93%
Benchmark	13.56%	7.25%	31.75%	6.23%	13.80%	7.37%

†Cumulative monthly return.

††Annualised return.

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	482	538
Median market cap	\$240.9B	\$240.9B
Price/earnings ratio	12.8x	12.8x
Price/book ratio	1.3x	1.3x
Return on equity	13.8%	13.8%
Earnings growth rate	5.0%	5.0%
Cash investments	0.5%	—
Turnover rate (as of 31/12/2020)	2%	—
Equity yield (dividend)	3.7%	3.7%

### Top 10 holdings

	Fund
Taiwan Semiconductor Manufacturing Co. Ltd.	19.6%
China Construction Bank Corp.	2.8
Infosys Ltd.	2.3
Industrial & Commercial Bank of China Ltd.	2.1
Samsung Electronics Co. Ltd.	2.0
MediaTek Inc.	1.8
Hon Hai Precision Industry Co. Ltd.	1.8
China Merchants Bank Co. Ltd.	1.5
DBS Group Holdings Ltd.	1.3
Bank of China Ltd.	1.1
Total	36.3%

### Participating dealers

ABN AMRO Clearing Hong Kong Limited
BNP Paribas Securities Services
CGS-CIMB Securities (Hong Kong) Limited
China International Capital Corporation Hong Kong Securities Limited
Citigroup Global Markets Asia Limited
Credit Suisse Securities (Hong Kong) Limited
Goldman Sachs (Asia) Securities Limited
Haitong International Securities Company Limited
J.P. Morgan Broking (Hong Kong) Limited
Jane Street Hong Kong Limited
Macquaire bank Limited
Merrill Lynch Far East Limited
SG Securities (HK) Limited
UBS Securities Hong Kong Limited

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

### For more information

Web: [vanguard.com.hk](http://vanguard.com.hk)

Email: [sales@vanguard.com.hk](mailto:sales@vanguard.com.hk)

**Risk Disclosure Statement:** This factsheet is provided for information only and has been compiled by Vanguard from sources believed to be reliable.

Nothing contained in this factsheet constitutes investment advice or should be relied on as such. This factsheet has not been reviewed by the Securities and Futures Commission of Hong Kong. SFC authorisation is not an official recommendation of the ETF.

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Investment involves risk. All ETF products are subject to market risk which may result in possible delays in repayment and loss of income and capital invested. Past performance is not an indication of future performance.

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Source: The Vanguard Group, Inc. and FTSE International Limited.

### Calendar year returns

	Fund	Benchmark
2016	9.46%	10.14%
2017	30.24%	30.97%
2018	-8.82%	-8.46%
2019	14.53%	15.00%
2020	10.00%	10.60%

Sector weighting	Fund	Benchmark
Basic Materials	4.0%	3.9%
Consumer Discretionary	5.2	5.2
Consumer Staples	2.6	2.6
Energy	4.9	4.9
Financials	25.8	25.8
Health Care	0.1	0.1
Industrials	7.2	7.2
Real Estate	9.8	9.9
Technology	33.7	33.7
Telecommunications	3.5	3.5
Utilities	3.2	3.2
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.

Beginning September 2020, FTSE Russell is enhancing the ICB structures to provide additional granularity from the industry through subsector levels. Please note that there may be differences in sector names and classifications as these changes are implemented across the industry through March 2021.

### Market allocation

Ten largest markets as a % of total assets	Fund	Benchmark
Taiwan	36.6%	36.6%
China	24.7	24.7
Hong Kong	9.9	9.9
Korea	8.5	8.5
Singapore	6.7	6.8
India	5.1	5.0
Thailand	3.4	3.5
Malaysia	3.0	3.0
Indonesia	1.6	1.5
Philippines	0.4	0.4
Total	99.9%	99.9%