



## VANGUARD REDUCES FEES ACROSS FIXED INCOME ETF RANGE

**23 June 2025** – Vanguard today announced fee reductions across seven of its fixed income Exchange Traded Funds (ETFs) available to European investors, effective 1 July 2025. This move reinforces Vanguard's commitment to making fixed income investing more accessible, particularly as bonds continue to play an increasingly important role in an investor's portfolio.

**Jon Cleborne, Head of Vanguard for Europe, commented:** "The bond market is now twice the size of the equity market, yet remains opaque and expensive. Investors deserve better. At Vanguard, we believe that in investing, you get what you don't pay for. Costs matter. By reducing fees, we're helping make fixed income more accessible and transparent. We estimate these changes will save investors approximately USD 3.5 million annually<sup>1</sup>. We have already and will continue to expand our fixed income offering throughout this year."

**The following ETFs will have their fees reduced on 1 July: <sup>2</sup>**

| Product   | Share class | Previous OCF | New OCF <sup>3</sup> |
|---|-------------|--------------|----------------------|
| Vanguard Global Aggregate Bond UCITS ETF                | Hedged      | 0.10%        | 0.08%                |
| Vanguard USD Treasury Bond UCITS ETF                    | Unhedged    | 0.07%        | 0.05%                |
|   | Hedged      | 0.12%        | 0.10%                |
| Vanguard U.K. Gilt UCITS ETF                            | Unhedged    | 0.07%        | 0.05%                |
|   | Hedged      | 0.12%        | 0.10%                |
| Vanguard USD Emerging Markets Government Bond UCITS ETF | Unhedged    | 0.25%        | 0.23%                |
|   | Hedged      | 0.30%        | 0.28%                |
| Vanguard EUR Corporate Bond UCITS ETF                   | Unhedged    | 0.09%        | 0.07%                |
|   | Hedged      | 0.14%        | 0.12%                |
| Vanguard ESG EUR Corporate Bond UCITS ETF               | Unhedged    | 0.11%        | 0.09%                |
|   | Hedged      | 0.16%        | 0.14%                |
| Vanguard USD Corporate Bond UCITS ETF                   | Unhedged    | 0.09%        | 0.07%                |
|   | Hedged      | 0.14%        | 0.12%                |

### Vanguard's Fixed Income Leadership

<sup>1</sup> Source: Vanguard calculations, as at 23 June 2025. The calculation is based on the impact of the OCF reductions based on current AUM levels and would apply to any investors who are invested in the affected UCITS ETFs.

<sup>2</sup> Source: Vanguard, 23 June 2025

<sup>3</sup> The ongoing charges figure (OCF) covers management fees and service costs such as administration, audit, depositary, legal, registration and regulatory expenses incurred in respect of the funds



Vanguard is the world's second-largest asset manager, overseeing USD 10.5 trillion in assets globally as of 31 May 2025. Its Fixed Income Group, led by Sara Devereux, manages over USD 2.47 trillion<sup>4</sup> globally, leveraging deep expertise to deliver precise benchmark tracking, prudent risk management, and competitive performance.

Earlier this year, Vanguard expanded its European fixed income offering with the launch of:

- Vanguard EUR Eurozone Government 1–3 Year Bond UCITS ETF
- Vanguard EUR Corporate 1–3 Year Bond UCITS ETF
- Vanguard Global Government Bond UCITS ETF
- Vanguard U.K. Short-Term Gilt Index Fund.

Following these changes, the average asset-weighted expense ratio across Vanguard's European fixed income index and actively managed fund range will be 0.11%. Vanguard now offers 35<sup>5</sup> fixed income index products in Europe.<sup>6</sup> Vanguard offers the lowest cost fixed income ETF range on average in Europe<sup>7</sup>. Across its overall European product offering, Vanguard's asset-weighted expense ratio will have an average of 0.14%<sup>8</sup>.

**ENDS**

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<sup>4</sup> Source: Vanguard, 23 June 2025

<sup>5</sup> Note: Not all of the 35 products are available in each European country

<sup>6</sup> Source: Vanguard and Vanguard calculations, 23 June 2025

<sup>7</sup> Source: Morningstar data

<sup>8</sup> Source: Vanguard calculations, 23 June 2025

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**Investment risk information:**

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

Some funds invest in emerging markets which can be more volatile than more established markets. As a result the value of your investment may rise or fall.

Investments in smaller companies may be more volatile than investments in well-established blue chip companies.

The fund(s) 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.

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.

Some funds invest in securities which are denominated in different currencies. Movements in currency exchange rates can affect the return of investments.

Funds investing in fixed interest securities carry the risk of default on repayment and erosion of the capital value of your investment and the level of income may fluctuate. Movements in interest rates are likely to affect the capital value of fixed interest securities. Corporate bonds may provide higher yields but as such may carry greater credit risk increasing the risk of default on repayment and erosion of the capital value of your investment. The level of income may fluctuate and movements in interest rates are likely to affect the capital value of bonds.



Some funds invest in securities which are denominated in different currencies. Movements in currency exchange rates can affect the return of investments.

For further information on risks please see the "Risk Factors" section of the prospectus on our website at <https://global.vanguard.com>.

### **Important Information**

For further information on the fund's investment policies and risks, please refer to the prospectus of the UCITS and to the KIID (for UK, Channel Islands, Isle of Man investors) and to the KID (for European investors) before making any final investment decisions. The KIID and KID for this fund are available in local languages, alongside the prospectus via Vanguard's website <https://global.vanguard.com/>.

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The Manager of Vanguard Investment Series plc and Vanguard Funds plc is Vanguard Group (Ireland) Limited. Vanguard Asset Management, Limited is a distributor of Vanguard Investment Series plc and Vanguard Funds plc

The Central Bank of Ireland has granted authorisation for the Vanguard USD Treasury Bond UCITS ETF and Vanguard Global Government Bond UCITS ETF to invest up to 100% of net assets in different Transferable Securities and Money Market Instruments issued or guaranteed by any EU Member State, its local authorities, non-EU Member States or public international bodies of



which one or more EU Member States are members. The Vanguard USD Treasury Bond UCITS ETF and Vanguard Global Government Bond UCITS ETF invest more than 35% of its scheme property in transferable securities and money market instruments issued or guaranteed by the US.

The Central Bank of Ireland has granted authorisation for the Vanguard U.K. Gilt UCITS ETF to invest up to 100% of net assets in different Transferable Securities and Money Market Instruments issued or guaranteed by any EU Member State, its local authorities, non-EU Member States or public international bodies of which one or more EU Member States are members. The Vanguard U.K. Gilt UCITS ETF invests more than 35% of its scheme property in transferable securities and money market instruments issued or guaranteed by the UK.

The Indicative Net Asset Value ("iNAV") for Vanguard's ETFs is published on Bloomberg or Reuters. Refer to the Portfolio Holdings Policy at <https://fund-docs.vanguard.com/portfolio-holdings-disclosure-policy.pdf>.

The Manager of the Ireland domiciled funds may determine to terminate any arrangements made for marketing the shares in one or more jurisdictions in accordance with the UCITS Directive, as may be amended from time-to-time.

For investors in Ireland domiciled funds, a summary of investor rights can be obtained via <https://www.ie.vanguard/content/dam/intl/europe/documents/en/vanguard-investors-rights-summary-irish-funds-jan22.pdf> and is available in English, German, French, Spanish, Dutch and Italian.

**For Dutch Investors only:** The fund(s) referred to herein are listed in the AFM register as defined in section 1:107 Dutch Financial Supervision Act (Wet op het financieel toezicht). For details of the Risk indicator for each fund listed, please see the fact sheet(s) which are available from Vanguard via our website <https://www.nl.vanguard/professional/product>.

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