

## **Vanguard Group (Ireland) Limited**

70 Sir John Rogerson's Quay

Dublin 2

Ierland

Deze Circulaire (de "**Circulaire**") wordt verzonden naar Deelbewijshouders van Vanguard FTSE Developed World II CCF (het "**Subfonds**"), een subfonds van Vanguard Investments II Common Contractual Fund (het "**Fonds**"). Deze brief is belangrijk en vereist uw onmiddellijke aandacht. Als u twijfelt over de te volgen handelwijze, dient u direct uw makelaar, juridisch of fiscaal adviseur, of een andere professionele adviseur te raadplegen. Als u uw participatie in het Subfonds hebt verkocht of op een andere wijze hebt overgedragen, verzoeken wij u deze Circulaire door te sturen naar de makelaar of andere tussenpersoon via wie de verkoop of overdracht plaatsvond, om te worden bezorgd aan de koper of overnemer.

**Deze Circulaire is niet gecontroleerd door de Centrale Bank van Ierland (de "Centrale Bank"). Het is dan ook mogelijk dat er wijzigingen nodig zijn om tegemoet te komen aan de vereisten van de Centrale Bank. De bestuurders van Vanguard Group (Ireland) Limited (de "Bestuurders"), de ICBE-beheermaatschappij van het Fonds (de "Beheermaatschappij"), zijn van mening dat niets in deze Circulaire of in de hierin uiteengezette voorstellen in strijd is met de richtlijnen en de voorschriften van de Centrale Bank.**

De Bestuurders hebben alle redelijke zorgvuldigheid in acht genomen om te verzekeren dat, per de datum van deze Circulaire, de informatie in deze Circulaire in overeenstemming is met de feiten en dat er niets in ontbreekt dat waarschijnlijk de strekking van die informatie zou kunnen beïnvloeden. De Bestuurders aanvaarden de verantwoordelijkheid voor de informatie in deze Circulaire.

Tenzij anders vermeld, hebben alle begrippen met een hoofdletter in deze Circulaire dezelfde betekenis zoals gedefinieerd in het prospectus van het Fonds van 10 december 2021 (het "**Prospectus**").

### **CIRCULAIRE AAN DEELBEWIJSHOUDERS VAN**

#### **Vanguard FTSE Developed World II CCF**

#### **EEN SUBFONDS VAN VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND**

*(Een gemeenschappelijk contractueel paraplufonds van het open type met gescheiden aansprakelijkheid tussen subfondsen geautoriseerd en gereguleerd door de Centrale Bank krachtens de Verordeningen van de Europese Gemeenschappen (Instellingen voor Collectieve Belegging in Effecten), 2011 (zoals gewijzigd)).*

#### **Voorstel tot wijziging van de Beleggingsstrategie die door het Subfonds wordt gebruikt en tot wijziging van de naam van het Subfonds**

## Definities

<p><b>“Condition”</b></p>	<p>de voorwaarde waarnaar wordt verwezen in de brief van de Bestuurders van 13 juli 2022, die in het kader van het Voorstel bij deze brief is gevoegd.</p>
<p><b>“Effective Date”</b></p>	<p>de datum waarop de verandering van Beleggingsstrategie en de naamsverandering van het Subfonds zal ingaan, wat behoudens goedkeuring van de Centrale Bank verwacht wordt op of rond 21 juli 2022, of een eventuele andere datum die aan de Deelbewijshouders kan worden meegedeeld.</p>
<p><b>“Index”</b></p>	<p>de index van effecten die het Subfonds volgens zijn beleggingsdoelstelling en in overeenstemming met zijn beleggingsstrategieën, zoals beschreven in Bijlage 1 van het Subfonds, zal trachten te volgen of te repliceren.</p>
<p><b>“Investment Strategy”</b></p>	<p>de “Voornaamste beleggingsstrategieën” van het Subfonds, zoals beschreven in Bijlage 1 van het Prospectus.</p>
<p><b>“Unitholder” or “Unitholders”</b></p>	<p>een of meer personen (anders dan een natuurlijk persoon) die, inclusief ambtshalve, is/zijn ingeschreven in het register dat namens het Fonds wordt bijgehouden als een houder van Deelbewijzen met betrekking tot het Subfonds. Dit omvat ook personen die als zodanig zijn ingeschreven als gezamenlijke houders van een Deelbewijs en die als zodanig recht hebben op een onverdeeld gezamenlijk eigendomsbelang als gezamenlijke eigenaren met de andere rechthebbenden op het vermogen van het Subfonds, elk een <b>“Deelbewijshouder”</b>.</p>
<p><b>“Unit”</b></p>	<p>één onverdeeld belang in de activa van het Subfonds, dat verder kan worden onderverdeeld in verschillende categorieën van Deelbewijzen. Deelbewijzen in het Subfonds zijn geen <b>“ aandelen ”</b>, maar een middel om te bepalen op welk deel van de onderliggende activa van het Subfonds elke Deelbewijshouder recht heeft.</p>

Tenzij anders vermeld, hebben alle begrippen met een hoofdletter in deze Circulaire dezelfde betekenis zoals gedefinieerd in het Prospectus.

## BRIEF VAN DE BESTUURDERS

### Vanguard Investments II Common Contractual Fund

#### MAATSCHAPPELIJKE ZETEL

70 Sir John Rogerson's Quay  
Dublin 2  
Ierland

*(Een gemeenschappelijk contractueel paraplufonds van het open type met gescheiden aansprakelijkheid tussen subfondsen geautoriseerd en gereguleerd door de Centrale Bank krachtens de Verordeningen van de Europese Gemeenschappen (Instellingen voor Collectieve Belegging in Effecten), 2011 (zoals gewijzigd)).*

*Bestuurders: Peter Blessing (Ierland), Ann Stock (VK), William Slattery (Ierland), Michael S. Miller (VS), Sean P. Hagerty (VS), Tara Doyle (Ierland), Robyn Laidlaw (Nieuw-Zeeland), Karin Risi (VS)*

13 juli 2022

Geachte Deelbewijshouder,

Wij schrijven u als Bestuurders van de Beheerder van het Fonds om (a) uw toestemming te vragen voor een voorgestelde verandering van Beleggingsstrategie voor Vanguard FTSE Developed World II CCF (het "**Subfonds**") (het "**Voorstel**") en (b) op voorwaarde dat het Voorstel door de Deelbewijshouders wordt goedgekeurd, om u te informeren over een voorgestelde naamsverandering van het Subfonds, waarvoor de toestemming van Deelbewijshouders niet is vereist, elk zoals hieronder verder uitgelegd.

Op voorwaarde dat aan de hieronder uiteengezette Voorwaarde wordt voldaan, wordt er verwacht dat de veranderingen van kracht zullen worden vanaf de Ingangsdatum.

#### **Voorstel**

1. Er wordt voorgesteld de door het Subfonds gehanteerde Beleggingsstrategie te wijzigen. Het Subfonds blijft gebruikmaken van de FTSE Developed Index (de "**Index**"), maar de portefeuillebeheerders van Vanguard zullen bedrijven die de beginselen van het Global Compact van de VN schenden, of die betrokken zijn bij de productie van controversiële wapens of tabak, uitsluiten van de portefeuille van het Subfonds. Wij wijzen Deelbewijshouders op Bijlage [1] van deze Circulaire, waarin de voorgestelde wijzigingen van de Beleggingsstrategie worden beschreven.
2. Op voorwaarde dat Deelbewijshouders [punt 1 hierboven goedkeuren], wordt de naam van het Subfonds gewijzigd in [Vanguard SRI FTSE Developed World II (B) CCF].

## Achtergrond

Het Subfonds volgt momenteel de Index die geen ESG-screening of -uitsluitingen toepast. Vanguard houdt haar productaanbod regelmatig tegen het licht, en in het kader hiervan kwam naar voren dat een verandering van Beleggingsstrategie van het Subfonds positief zou bijdragen aan het voldoen door het Subfonds aan veranderende voorkeuren van beleggers op het gebied van milieu, maatschappij en goed bestuur (Environmental, Social & Governance, of “**ESG**”). De evaluatie wees specifiek op de opkomst van belangrijke thema's waar beleggers zich om bekommeren, in het bijzonder een toenemende aandacht voor milieu en klimaatverandering.

De conclusie was derhalve dat een aanscherping van de Beleggingsstrategie van het Subfonds door het toepassen van een benadering gericht op maatschappelijk verantwoord beleggen (Socially Responsible Investing, of “**SRI**”), Deelbewijshouders ten goede zou komen. Dit kan in brede zin worden gedefinieerd als een beleggingsbenadering die sociale, ecologische en ethische overwegingen integreert in het proces van beleggingsselectie van het Subfonds.

De invoering van een SRI-benadering gaat gepaard met het toepassen van een uitsluitingsscreening, toegepast op het niveau van het Subfonds door Vanguard, waarbij bedrijven die deel uitmaken van de Index en die de principes van het Global Compact van de VN schenden, of die betrokken zijn bij de productie van controversiële wapens of tabak, worden uitgesloten.

Meer informatie over de toe te passen uitsluitingsscreening met betrekking tot de effecten die deel uitmaken van de Index, is opgenomen in Bijlage 1 bij deze Circulaire.

## Voordelen van de verandering van Beleggingsstrategie

De voornaamste voordelen van een verandering van Beleggingsstrategie zijn:

- Onverminderde voordelen van het beleggen in een gediversifieerde vermogensportefeuille (zoals opgenomen in de Index), maar aangevuld met een SRI-screening; en
- Deelbewijshouders die een positie wensen in te nemen in een op ESG gerichte portefeuille, kunnen dit doen door deelhouders te blijven van het Subfonds, waarbij zij de operationele kosten en het ongemak van het overstappen op een ander product vermijden.

## De Voorwaarde

Het uitvoeren van het Voorstel en de naamsverandering van het Subfonds zijn behoudens de schriftelijke goedkeuring van het Voorstel door ten minste 50% van de Deelbewijshouders die op deze brief reageren en van wie deze reactie wordt ontvangen (de “**Voorwaarde**”).

Als aan de Voorwaarde wordt voldaan, zijn de wijzigingen per de Ingangsdatum bindend voor alle Deelbewijshouders, ongeacht of zij op deze Circulaire hebben gereageerd. Als niet aan de Voorwaarde wordt voldaan, wordt het Voorstel niet van kracht en worden de in deze brief genoemde wijzigingen niet doorgevoerd.

## Belastinggevolgen

De verstrekte informatie in deze Circulaire is niet exhaustief en vormt geen juridisch of fiscaal advies. Elke terugkoop van uw Deelbewijzen kan uw belastingpositie beïnvloeden. U dient uw eigen professionele adviseurs te raadplegen over de gevolgen van de verandering van Beleggingsstrategie en uw inschrijving op en uw aankoop, bezit, omruiling of verkoop van Deelbewijzen volgens de wetten van de rechtsgebieden waarin u mogelijk belastingplichtig bent.

## Volgende stappen

Wij zouden het op prijs stellen als u uw instemming met het Voorstel zou willen bevestigen door deze brief te ondertekenen op de hieronder gemarkeerde positie, onder vermelding van uw naam, en te retourneren aan, Vanguard Asset Management, Limited, 4th Floor, The Walbrook Building, 25 Walbrook, Londen, EC4N 8AF. Een kopie per fax of e-mail, ter attentie van Arjan van Tongeren, wordt ook geaccepteerd. Stuur ons uw ondertekende brief voor **het sluiten van de markt op 15 juli 2022**.

Als u vragen hebt over deze kwestie, aarzel dan niet om contact op te nemen met uw vertegenwoordiger.

## Advies

**De Bestuurders zijn van mening dat de voorgestelde wijzigingen in het beste belang van het Subfonds en zijn Deelbewijshouders als geheel zijn, en dienovereenkomstig raden de Bestuurders ten zeerste aan dat u met het Voorstel instemt.**

Met vriendelijke groet,



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Bestuurder

**Voor en namens**

**Vanguard Group (Ireland) Limited**

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Vink hieronder het betreffende vakje aan:

Ik/Wij stem(men) hierbij in met de in het Voorstel beschreven wijzigingen, zoals hierboven uiteengezet.

Ik/Wij stem(men) hierbij niet in met de in het Voorstel beschreven wijzigingen, zoals hierboven uiteengezet.

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Voor en namens

**NAAM VAN DEELBEWIJSHOUDER:**

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## Vanguard SRI FTSE Developed World II (B) Common Contractual Fund

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### 1. **Benchmark Index**

~~The~~ FTSE Developed Index (the “**Index**”).

#### ~~2.1. Investment Objective~~

~~The Sub-Fund seeks to track the performance of the Index, a widely recognised benchmark of stock market performance of global developed countries that is comprised of the stocks of large and mid-cap sized companies in global developed markets. The Index is a free-float market capitalisation weighted index derived from the FTSE Global Equity Index Series (“**GEIS**”), which covers 98% of the world’s investable market capitalisation. The Index is a market-capitalisation-weighted index of large and mid-sized common stocks of companies in developed countries. The Index securities are free-float weighted and liquidity screened to ensure that only the investable opportunity set is included. The Index provider conducts regular reviews to ensure that a continuous and accurate representation of the Index market is maintained. Further information on the composition of the Index may be obtained at <http://www.ftse.com/analytics/factsheets/Home/ConstituentsWeights>.~~

~~The Index provider has developed a customized socially responsible investing (“**SRI**”) screening process designed to analyse companies issuing securities in the Index, which may result in a number of Index components being excluded from the Index, as further described below.~~

#### ~~2. Investment Objective~~

~~The Sub-Fund seeks to provide long-term growth of capital by seeking to achieve the performance of the Index.~~

### 3. **Primary Investment Strategies**

~~The Sub-Fund employs a “passive management”~~—~~ or indexing~~—~~ investment approach, through physical acquisition of securities, strategy designed to track~~achieve~~ the performance of the Index. In tracking the performance of the Index, the Sub-Fund will attempt to replicate the Index by investing all, or substantially all, of its assets in the physical stocks in a portfolio of securities that make up the Index, holding each stock in approximately the same proportion, insofar as its weighting in the Index. When not possible and practicable to fully replicate, the Sub-Fund uses a sampling process, meaning that it holds, consists of a range of representative sample of the component securities that, in the aggregate, approximate the full~~

~~Index in terms of key risk factors and other characteristics, including, but not limited to, asset type, credit quality and risk profile.~~

~~In tracking the Index, the Sub-Fund may invest in FDI such as warrants, swap agreements (including total return swaps, which manage exposures to certain securities and securities indexes in circumstances where local market, regulatory or other factors might prevent of the Index that satisfy the application of a direct holding) and equity-linked notes which may be used to gain exposure to the screening process for socially responsible investing as described below.~~

~~The Sub-Fund promotes environmental and social characteristics by excluding companies from its portfolio based on the impact of their conduct or products on society and / or the environment. This is met by not holding stocks of companies in the Index that do not meet specific “socially responsible” criteria, as described below.~~

~~SRI is broadly defined as an investment approach that aims to integrate social, environmental, and ethical considerations into investment selection. The Index provider has developed a customized SRI screening process designed to analyse companies issuing securities in the Index. The SRI screening process, which, excludes Index constituents of the Index or to the performance of the Index itself, to reduce transaction costs or taxes or allow exposure in the case that are or have engaged in activities that result in serious violations of illiquid stocks or stocks which are unavailable for market or regulatory reasons or to minimise tracking error. The Sub-Fund may invest in exchange traded futures the United Nations Global Compact (“UNGC”), is consistent with the characteristics promoted by the Sub-Fund. The UNGC is a strategic policy initiative for businesses that are committed to aligning their operations and options contracts (typically equity index strategies with universally accepted principles in the areas of human rights, labour, the environment and foreign currency) to manage cash flows on a short term basis anti-corruption.~~

~~The SRI screening process may also apply other criteria as necessary in developing the “socially responsible” screens, including avoidance of owning companies that are involved in the production of controversial weapons such as cluster munitions, land mines, biochemical and to achieve cost efficiencies, may invest in currency forwards nuclear weapons and interest rate futures to protect against currency fluctuation those involved in the manufacture and may invest in depository receipts which are securities, including ADRs and GDRs to gain exposure distribution of tobacco products.~~

~~The SRI screening process is a pre-determined, rules-based methodology applied objectively by the Index provider to the Index, which results in a SRI exclusion list of companies that have failed the screening process. The Index provider seeks to provide an up-to-date SRI exclusion list to the constituents of~~



~~the~~Investment Manager on a quarterly basis. The Investment Manager will remove stock of companies included in the SRI exclusion list from the list of ~~Index~~— stocks eligible for investment by the Sub-Fund. It is possible that the Sub-Fund may purchase a stock which is subsequently determined to be non-eligible in accordance with the SRI exclusion list, due to the activities of the particular company after the Sub-Fund has purchased the stock. In such circumstances, the Investment Manager will aim to sell the non-eligible stock as soon as possible, taking into account the best interests of Unitholders.

The Sub-Fund will hold a representative sample of those Index securities meeting socially responsible criteria in approximate proportion to its weighting in the Index, optimising the Sub-Fund to match the risk factors and performance of the Index. Although the Sub-Fund will refrain from holding stocks of companies contained in the Index but excluded by the SRI screening process, it will seek to perform consistently with the unscreened Index. To accomplish this objective, the Investment Manager uses index “sampling” techniques to select securities. Using sophisticated computer programs, the Investment Manager selects a representative sample of the securities that meet the SRI screening process that approximates the full Index in terms of key risk factors and other characteristics. These factors include price/earnings ratio, industry weights, country weights, market capitalisation, dividend yield, and other financial characteristics of stocks. The Investment Manager will attempt to minimise deviations in currency, country, and sector exposures as compared with that of the Index.

However, it is possible that, if a large Index constituent is excluded, there may be a lack of substitutes within the same country and sector, which would result in a potential mismatch of the Sub-Fund’s weighted holdings relative to the Index.

While the Sub-Fund promotes environmental and social characteristics, it does not commit to making sustainable investments (including environmentally sustainable investments within the meaning of the Taxonomy Regulation). As such, the Sub-Fund makes a minimum commitment of 0% in environmentally sustainable investments.

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The “do no significant harm” principle applies only to those investments underlying the Sub-Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities.

For more information on the potential implications of this strategy to Unitholders please refer to ~~the sections headed~~ **Index Risk, Index Sampling Risk and Index Tracking Risk** in the Risk Factors section of this~~the~~ Prospectus.

## 4. Investment Policies

### 4.1. Other Investment Policies

While The below investment policies are supplemental to the primary investment strategies referred to above:

- The Sub-Fund attempts to be fully Fund's investment policy is to remain substantially invested each day, the in common stocks.
- The Sub-Fund may also invest in short-term, high quality Money Market Instruments (including government fixed income securities, bank certificates of deposits, or engage in overnight repurchase agreements) and/or money market funds for due to its uncommitted cash management purposes balances and the need to maintain liquidity to meet Unitholder redemptions.
- The Sub-Fund may also enter into overnight repurchase agreements for the purposes of The Sub-Fund may invest in convertible securities listed or traded on Regulated Markets in OECD Member States and other countries, provided that the Sub-Fund will not invest more than 10% of its net assets in convertible securities listed or traded on Regulated Markets in non-OECD Member States. Investments in convertible securities shall not exceed 25% of the net assets of the Sub-Fund.
- The Sub-Fund may invest in investment-grade short-term fixed income securities listed or traded on Regulated Markets in OECD Member States and other countries.
- The Sub-Fund will not invest more than 10% of its net assets in short-term fixed income securities listed or traded on Regulated Markets in non-OECD Member States.
- The Sub-Fund will not invest more than 10% of its net assets in short-term fixed income securities with a debt rating that is less than Prime-1 ("P-1") from Moody's Investor Service, Inc. ("Moody's") or less than A-1+ from Standard and Poor's ("S&P") or the equivalent as determined by the Investment Manager. These short-term securities may include obligations of any country included in the Index, commercial paper (rated P-1 by Moody's or A-1+ by S&P), bank certificates of deposit and banker's acceptances.
- The Sub-Fund may invest in warrants or hold warrants where these are issued by reason of or in connection with transferable securities held in the Sub-Fund or otherwise hold warrants for efficient portfolio management purposes. The Sub-Fund will not invest or hold more than 5% of its net assets in warrants.

- The Sub-Fund may invest in equity-linked notes, but it may not invest more than 10% of its net assets in such notes unless they are issued as transferable securities that are listed or traded on Regulated Markets in OECD Member States with a long-term debt rating of Aa3 or better from Moody's or AA- or better from S&P or the equivalent as determined by the Investment Manager.
- The Sub-Fund may, for the purpose of posting eligible collateral in respect of FDI transactions, invest in stocks, which may not meet the relevant SRI ratings/criteria applied to the Index constituents. In respect of FDI transactions, the Sub-Fund may also be required to receive collateral which may not meet the relevant SRI ratings/criteria applied to the Index constituents.
- The Sub-Fund may invest in FDI for efficient portfolio management purposes. Generally speaking, a derivative is a financial contract whose value is based on the value of a financial asset (such as a stock, bond, or currency) or a market index. For efficient portfolio management or hedging purposes, including to help the Sub-Fund stay fully invested and reduce transaction costs, the Sub-Fund may utilise futures, forward currency exchange contracts, options and total return swaps in accordance with the limits and conditions specified under **Portfolio Investment Techniques** in **Appendix 3** to this Prospectus of this Prospectus. Investors should note that FDI on an index (e.g. swaps, futures) may contain some underlying constituents which may not meet the relevant SRI ratings/criteria applied to the Index constituents.
- The Sub-Fund may invest no more than 10% of its net assets in collective investment schemes, including exchange traded funds (“ETFs”) which are UCITS or which comply in all material respects with the Central Bank UCITS Regulations.

The Sub-Fund may also enter into repurchase agreements, reverse repurchase agreements and security lending arrangements for the purposes of efficient portfolio management in accordance with the limits and conditions specified under **Portfolio Investment Techniques** in **Appendix 3** of this Prospectus. In respect of securities lending arrangements, the Sub-Fund may receive collateral which may not meet the relevant SRI ratings/criteria applied to the Index constituents. Please see **Repurchase and Reverse Repurchase Agreements Risk** and **Securities Lending Arrangements Risk** in the **Risk Factors** section of this Prospectus.

Further details on the investment powers and restrictions for the Sub-Fund are available under **Investment Powers and Restrictions** in **Appendix 2** to this Prospectus.

~~The Sub-Fund will not be leveraged or geared through the use of derivative instruments, that is, the total exposure of the Sub-Fund, including but not limited to its exposure from the use of any derivative~~

~~instruments, shall not exceed the total net assets of the Sub-Fund.~~

## 5. Tracking Error

It is anticipated that, under normal market circumstances, the annualised ex-post Tracking Error of the Sub-Fund will be up to 0.5%. While it is anticipated that the ex-post Tracking Error of the Sub-Fund under normal circumstances will not vary significantly from this level, there is no guarantee that this level of Tracking Error of the Sub-Fund will be realised and none of the Fund, the Manager or the Investment Manager or any of their affiliates will be liable for any discrepancies between the anticipated Tracking Error and the level of Tracking Error subsequently observed.

~~Reasons for discrepancies could include the composition of the portfolio, valuation basis, market volatility, liquidity, currency exchange rates, tax and securities lending income.~~ The annual report of the Fund will ~~outline the Tracking Error and~~ provide an explanation of any divergence between anticipated and realised Tracking Error for the relevant period ~~in respect of.~~ As the Sub-Fund matures (i.e. grows in size and subscriptions and redemptions generally offset each other), it is possible that Tracking Error may be reduced. Please refer to the section of the Prospectus headed **Plain Talk about Excess Return and Tracking Error** ~~of this Prospectus~~ for further information on Tracking Error.

The Index rebalances on a semi-annual basis in March and September. For the potential cost impacts of rebalancing, please see the section headed **Index ~~rebalancing~~Rebalancing and ~~costs~~Costs** of this Prospectus for further information.

## 6. Financial Derivative Instruments

Please see the below descriptions of types of financial derivative instruments that can be used by the Sub-Fund for efficient portfolio management purposes as set out in more detail in the above section headed Investment Policies.

**Futures.** Futures contracts are agreements to buy or sell a fixed amount of an index, equity, bond or currency at a fixed date in the future. Futures contracts are exchange-traded instruments and their dealing is subject to the rules of the exchanges on which they are dealt. An interest rate future is a futures contract with an interest bearing instrument as the underlying asset. In addition, futures are used to gain exposure to the Index where it is not possible or practicable to invest directly in the components of the Index.

**Forward Foreign Exchange Contracts.** Forward foreign exchange contracts are agreements between

parties to exchange fixed amounts of different currencies at an agreed exchange rate at an agreed time in the future. Forward foreign exchange contracts are similar to currency futures, except that they are not exchange-traded, but are instead over the counter instruments. Forward foreign exchange contracts may be used to manage currency exposures. Non-deliverable forward foreign exchange contracts may be used for the same reasons. They differ from standard forward foreign exchange contracts in that at least one of the currencies in the transaction is not permitted to be delivered in settlement of any profit or loss resulting from the transaction. Typically, profit or loss in this case will be delivered in US Dollars or Euro.

**Options.** Options are contracts in which the writer (seller) promises that the contract buyer has the right, but not the obligation, to buy or sell a certain index, equity, bond or currency at a certain price (the strike price) on or before a certain expiration date, or exercise date. An option giving the buyer a right to buy at a certain price is called a call, while one that gives then the right to sell is called a put. Call and put options may be purchased and written on securities, securities indices and currencies and options may be used on futures contracts and swap agreements and / or to hedge against in interest rates, currency exchange rates and securities prices. A swaption is a type of option contract which gives the contract buyer the right, but not the obligation, to enter into a swap.

**Total Return Swaps.** A total return swap is an agreement between two parties whereby one party makes payments to the other based on an agreed rate, while the other party makes payments to the first party based on the return of an underlying asset or assets which are consistent with the investment policies of the Sub-Fund.

#### **6.7. Profile of a Typical Investor**

- Investors seeking general capital formation and / or asset optimisation.
- Investors with a long-term investment horizon.
- Investors with at least a basic knowledge of and / or experience with financial products.
- Investors that can bear financial losses (up to the total loss of the invested amount) and attach no importance to capital guarantees.

Further information may be obtained at <https://global.vanguard.com/portal/site/home>.

#### **7.8. Primary Risks**

- Stock Market Risk
- Investment Style Risk
- Country Risk
- Currency Risk

- Index Sampling Risk
- Index Tracking Risk
- Sustainability Risk

For more information see the **Risk Factors** section of this Prospectus. In addition to the above the following additional risk factor shall apply to this Sub-Fund:

**Application of Screening Process**

The Index provider will apply a screening process to the Index, which excludes certain securities from the Index and the Sub-Fund therefore does not invest in these securities. Details of the Index provider’s screening process can be found in the **Primary Investment Strategies** section above. There is the risk that, because the Sub-Fund will not invest in all of the companies that comprise the Index, but rather will exclude those securities that do not meet the Index provider’s screening process, the performance of the Sub-Fund may be considerably different, and could be significantly lower, than the performance of the Index. The Sub-Fund expects to experience a higher degree of Tracking Error than is normally achieved in index funds since the application of the screening process to the Index will preclude the Sub-Fund from investing in stocks of certain companies otherwise included in the Index and which companies may, or may not, contribute significantly to the Index’s overall performance.

**8.9. Sub-Fund Details**

**Investment Manager:** Vanguard Global Advisers, LLC

**Base Currency:** Euro

<p><b>Initial Offer Price</b></p>	<p>Un-launched classes of Units shall be issued at the initial offer price of €100 per Unit.</p> <p>The Initial Offer Price may be adjusted to reflect any adjustment (“swing”) to the Net Asset Value per Unit of the Sub-Fund on the relevant Dealing Day, as set out in the Swing Pricing section in Appendix 1 of this Prospectus.</p>
<p><b>Initial Offer Period</b></p>	<p>The un-launched classes of Units are offered from 10:00 am (Irish time) on <del>11 May 2021</del> <u>2022</u> until the earlier of the receipt</p>

	of an initial subscription or 5:00 pm (Irish time) on <del>10 November 2024</del> <u>2022</u> (or such other date as may be determined by the Manager and notified to the Central Bank).
<b>Purchase Price</b>	After first issue at the NAV per Unit on the relevant Dealing Day.
<b>Redemption Price</b>	The NAV per Unit on the relevant Dealing Day.
<b>Valuation Point</b>	9.00 pm Irish time on the relevant Dealing Day.
<b>Dealing Days</b>	Each Business Day will be a Dealing Day except that, any day when markets on which the securities included in the Index are listed or traded, or markets relevant to that Index, are closed and as a result of which 25% or more of the securities in the Index may not be traded, shall not be a Dealing Day. However, the Sub-Fund will have at least one Dealing Day per fortnight. The Dealing Days for the Sub-Fund are available on <a href="https://global.vanguard.com/portal/site/loadPDF?country=global&amp;docId=11631">https://global.vanguard.com/portal/site/loadPDF?country=global&amp;docId=11631</a>
<b>Dealing Deadline - Subscriptions</b>	11.00 am (Irish time) on the relevant Dealing Day.
<b>Deadline for Receipt of Subscription monies</b>	3.30 pm Irish time on the Settlement Date where the “ <b>Settlement Date</b> ” is the second Business Day after the relevant Dealing Day.
<b>Dealing Deadline - Redemptions</b>	11.00 am on the relevant Dealing Day.
<b>Deadline for Payment of Redemption monies</b>	3.30 pm Irish time the Settlement Date where the “ <b>Settlement Date</b> ” is the second Business Day after the relevant Dealing Day.
<b>Distribution of Gross Income Payments – Distributing Units only</b>	<p>The Manager intends to declare Gross Income Payments in respect of the Distributing Units of the Sub-Fund.</p> <p>The Manager intends to distribute all or substantially all of the Gross Income of the Sub-Fund attributable to the Distributing Units of the Sub-Fund on a quarterly basis to Unitholders of the Distributing Units who are registered in the register as Unitholders as of the Gross Income Date. The Gross Income Date will normally be the last day of each calendar quarter. Gross Income Payments will normally be paid two weeks</p>

	<p>following the Gross Income Date. In the event such payment date falls on a non-Business Day, payment will be made on the first following Business Day.</p> <p>Declaration of Gross Income Payments is at the sole discretion of the Manager. See the <b>Gross Income Payments</b> section of the Prospectus for more information.</p>
<b>Publication of Unit Prices</b>	<p><a href="https://www.vanguard.nl/portal/instl/nl/en/product.html#/productType=indexfunds">https://www.vanguard.nl/portal/instl/nl/en/product.html#/productType=indexfunds</a></p>

<b>Classes of Units</b>	<b>Launch Date</b>	<b>ISIN</b>	<b>Minimum Initial Subscription</b>	<b>Accumulation or Distributing</b>
Institutional B EUR Distributing Units – NL Pension	Not yet launched	IE00BVVQ9C85	€30,000,000	Distributing
Institutional B EUR Hedged Distributing Units – NL Pension	Not yet launched	IE00BVVQBB19	€30,000,000	Distributing
Institutional B EUR Accumulation Units – NL Pension	Not yet launched	IE00BVVQ9D92	€30,000,000	Accumulation
Institutional B EUR Hedged Accumulation – NL Pension	Not yet launched	IE00BVVQ9F17	€30,000,000	Accumulation
Institutional A EUR Accumulation Units - Statutory	Not yet launched	IE00BVVQ9G24	€5,000,000	Accumulation
Institutional A EUR Hedged Accumulation Units – Statutory	Not yet launched	IE00BVVQ9H31	€5,000,000	Accumulation
Institutional A EUR	Not yet launched	IE00BVVQ9J5	€5,000,000	Distributing



<b>Classes of Units</b>	<b>Launch Date</b>	<b>ISIN</b>	<b>Minimum Subscription</b>	<b>Initial</b>	<b>Accumulation or Distributing</b>
Distributing Units – Statutory	launched	4			
Institutional A EUR Hedged Distributing Units – Statutory	Not yet launched	IE00BVVQBC 26	€5,000,000		Distributing
Institutional B EUR Hedged Accumulation Units - NL FBI	25 February 2016	IE00BVVQ9K 69	€30,000,000		Accumulation
Institutional B EUR Accumulation Units - NL FBI	25 February 2016	IE00BVVQBD 33	€30,000,000		Accumulation
Institutional B EUR Hedged Distributing Units - NL FBI	Not yet launched	IE00BVVQBF 56	€30,000,000		Distributing
Institutional B EUR Distributing Units - NL FBI	Not yet launched	IE00BVVQBG 63	€30,000,000		Distributing
Institutional B EUR Hedged Accumulation Units - NL Charity	Not yet launched	IE00BVVQ9L7 6	€30,000,000		Accumulation
Institutional B EUR Accumulation Units - NL Charity	Not yet launched	IE00BVVQ9M 83	€30,000,000		Accumulation
Institutional B EUR Hedged Distributing Units - NL Charity	Not yet launched	IE00BVVQ9N 90	€30,000,000		Distributing
Institutional B EUR Distributing Units - NL Charity	Not yet launched	IE00BVVQ9P 15	€30,000,000		Distributing
Institutional B EUR Hedged	Not yet launched	IE00BVVQ9Q 22	€30,000,000		Accumulation

<b>Classes of Units</b>	<b>Launch Date</b>	<b>ISIN</b>	<b>Minimum Subscription</b>	<b>Initial</b>	<b>Accumulation or Distributing</b>
Accumulation Units - NL Life Insurance Co.					
Institutional B EUR Accumulation Units - NL Life Insurance Co.	Not yet launched	IE00BVVQ9R39	€30,000,000		Accumulation
Institutional B EUR Hedged Distributing Units - NL Life Insurance Co.	Not yet launched	IE00BVVQBH70	€30,000,000		Distributing
Institutional B EUR Distributing Units - NL Life Insurance Co.	Not yet launched	IE00BVVQ9S46	€30,000,000		Distributing
Institutional A EUR Hedged Accumulation Units - NL Pension	Not yet launched	IE00BVVQBJ94	€5,000,000		Accumulation
Institutional A EUR Accumulation Units - NL Pension	Not yet launched	IE00BVVQBK00	€5,000,000		Accumulation
Institutional A EUR Hedged Distributing Units - NL Pension	Not yet launched	IE00BVVQBL17	€5,000,000		Distributing
Institutional A EUR Distributing Units - NL Pension	Not yet launched	IE00BVVQBM24	€5,000,000		Distributing
Institutional A EUR Hedged Accumulation Units - NL Life Insurance Co.	Not yet launched	IE00BVVQBX39	€5,000,000		Accumulation

Classes of Units	Launch Date	ISIN	Minimum Subscription	Initial	Accumulation or Distributing
Institutional A EUR Accumulation Units - NL Life Insurance Co.	Not yet launched	IE00BVVQDC65	€5,000,000		Accumulation
Institutional A EUR Hedged Distributing Units - NL Life Insurance Co.	Not yet launched	IE00BVVQBY46	€5,000,000		Distributing
Institutional A EUR Distributing Units - NL Life Insurance Co.	Not yet launched	IE00BVVQBZ52	€5,000,000		Distributing

#### 9.10. Mandatory Redemption Thresholds

- **Unitholding Threshold:** The Manager may redeem a Unitholder's entire holding if its redemption order results in the Net Asset Value of the Units held in the Sub-Fund falling beneath €50,000 or the equivalent in another currency.
- **Sub-Fund Threshold:** The Manager may redeem all the Units of the Sub-Fund if its Net Asset Value falls below €15 million or its equivalent in another currency.

#### 10.11. Fees and Expenses

The following table describes the fees and expenses you may pay if you buy and hold Units. The expenses shown under *Ongoing Charges* which will accrue daily and be paid monthly to the Manager may increase over time, but will not exceed, on an annual basis, 1.00% of the average net asset value of the Units. The Manager will absorb (directly or by way of refund to the Sub-Fund) any difference that may arise between the actual cost of the operations of the Sub-Fund and this fixed fee. Transaction costs incurred by the Sub-Fund for buying and selling securities are not reflected in the table.

#### **Unitholder Fees**

***(fees paid directly from your investment)***

	<b>Institutional B Units</b>	<b>Institutional B Hedged Units</b>	<b>Institutional A Units</b>	<b>Institutional A Hedged Units</b>
Sales Charge (Load) imposed on Purchases	None	None	None	None
Exchange Fee	None	None	None	None
Redemption Fee	None	None	None	None
<b>Ongoing Charges *</b> <i>(expenses deducted from the Sub-Fund's assets)</i>				
<b>Ongoing Charges</b>	<b>0.25%</b>	<b>0.27%</b>	<b>0.30%</b>	<b>0.32%</b>

\* All percentages are expressed as a percentage of the average Net Asset Value of the Sub-Fund. All annual fund-operating expenses are paid by the Sub-Fund.

**Vanguard Group (Ireland) Limited**

70 Sir John Rogerson's Quay

Dublin 2

Ireland

This circular (the "**Circular**") is sent to Unitholders of Vanguard FTSE Developed World II CCF (the "**Sub-Fund**"), a sub-fund of Vanguard Investments II Common Contractual Fund (the "**Fund**"). It is important and requires your immediate attention. If you are in any doubt as to the action to be taken, you should immediately consult your stockbroker, solicitor or attorney or other professional advisor. If you sold or otherwise transferred your holding in the Sub-Fund, please send this Circular to the stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

**This Circular has not been reviewed by the Central Bank of Ireland (the "Central Bank") and it is possible that changes thereto may be necessary to meet the requirements of the Central Bank. The directors of Vanguard Group (Ireland) Limited (the "Directors"), the UCITS management company to the Fund (the "Management Company"), are of the opinion that there is nothing contained in this Circular nor in the proposals detailed herein that conflicts with the guidance issued by and regulations of the Central Bank.**

The Directors have taken all reasonable care to ensure that, as at the date of this Circular, the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility for the information contained in this Circular.

Unless otherwise indicated, all capitalised terms in this Circular shall have the same meaning as described in the prospectus for the Fund dated 10 December 2021 (the "**Prospectus**").

**CIRCULAR TO UNITHOLDERS OF**

**Vanguard FTSE Developed World II CCF**

**A SUB-FUND OF VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND**

*(An open-ended umbrella common contractual fund with segregated liability between sub-funds authorised and regulated by the Central Bank pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended))*

**Proposal to change the Investment Strategy used by the Sub-Fund and to change the name of the Sub-Fund**

## Definitions

<p><b>“Condition”</b></p>	<p>the condition referred to in the Directors’ letter dated 13 July 2022 attached hereto in respect of the Proposal.</p>
<p><b>“Effective Date”</b></p>	<p>the date on which the change of Investment Strategy and the change of name of the Sub-Fund will take effect, which, subject to approval by the Central Bank, is expected to be on or around 21 July 2022 or such other date as may be communicated to Unitholders.</p>
<p><b>“Index”</b></p>	<p>the index of securities which the Sub-Fund will aim to track or replicate, pursuant to its investment objective and in accordance with its investment strategies as set out in Appendix 1 of the Prospectus.</p>
<p><b>“Investment Strategy”</b></p>	<p>the “Primary Investment Strategies” of the Sub-Fund, as set out in Appendix 1 of the Prospectus.</p>
<p><b>“Unitholder” or “Unitholders”</b></p>	<p>a person or persons (other than a natural person), including the holder of an office for the time being, entered on the register maintained on behalf of the Fund with respect to the Sub-Fund as the holder for the time being of Units and includes persons so entered as joint holders of a Unit, such holder or holders being entitled to an undivided co-ownership interest as tenants in common with the other holders in the assets of the Sub-Fund and each a <b>“Unitholder”</b>.</p>
<p><b>“Unit”</b></p>	<p>one undivided interest in the assets of the Sub-Fund which may be further divided into different classes of Unit. Units in the Sub-Fund are not <b>“shares”</b> but serve to determine the proportion of the underlying assets of the Sub-Fund to which each Unitholder is entitled.</p>

Unless otherwise indicated, all capitalised terms in this Circular shall have the same meaning as described in the Prospectus.

## LETTER FROM THE DIRECTORS

### Vanguard Investments II Common Contractual Fund

#### REGISTERED OFFICE

70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

*(An open-ended umbrella common contractual fund with segregated liability between sub-funds authorised and regulated by the Central Bank pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended))*

*Directors: Peter Blessing (Ireland), Ann Stock (U.K.), William Slattery (Ireland), Michael S. Miller (U.S.A.), Sean P. Hagerty (U.S.A.), Tara Doyle (Ireland), Robyn Laidlaw (New Zealand), Karin Risi (U.S.A.)*

13 July 2022

Dear Unitholder,

We are writing to you as Directors of the Manager of the Fund to (a) request your consent to a proposed change of Investment Strategy in respect of Vanguard FTSE Developed World II CCF (the "**Sub-Fund**") (the "**Proposal**") and (b) subject to Unitholders approving the Proposal, to notify you of a proposed change of name of the Sub-Fund, which does not require Unitholder approval, each as further detailed below.

Subject to the Condition, as outlined below, it is expected that the changes will take effect from the Effective Date.

#### **Proposal**

1. It is proposed to amend the Investment Strategy employed by the Sub-Fund. The Sub-Fund will continue to use the FTSE Developed Index (the "**Index**") but Vanguard's portfolio managers will exclude from the Sub-Fund's portfolio companies that violate UN Global Compact principles or are involved in the production of controversial weapons or tobacco. The attention of Unitholders is drawn to Appendix 1 of this Circular which sets out the proposed updates to the Investment Strategy.
2. Subject to Unitholders approving point 1 above, the name of the Sub-Fund will change to Vanguard SRI FTSE Developed World II (B) CCF.

## **Background**

The Sub-Fund currently tracks the Index which does not apply any ESG-type screening or exclusions. As part of Vanguard's regular review of our product line-up, it was found that a change of Investment Strategy of the Sub-Fund would be beneficial in order to assist the Sub-Fund in meeting the evolving environmental, social and governance ("**ESG**") preferences of investors. In particular, the review concluded that there are key themes emerging that investors commonly care about, specifically, an increased focus on the environment and climate change.

Consequently, it was determined that Unitholders would benefit from the Sub-Fund enhancing its Investment Strategy by applying a socially responsible investing ("**SRI**") approach. This can be broadly defined as an investment approach that aims to integrate social, environmental, and ethical considerations into the investment selection process for the Sub-Fund.

The adoption of an SRI approach involves the application of an exclusionary screen, applied at the Sub-Fund level by Vanguard, which excludes constituent companies of the Index that violate UN Global Compact principles, or are involved in the production of controversial weapons or tobacco.

Further details of the exclusionary screen to be applied in respect of the constituent securities of the Index are included at Appendix 1 of this Circular.

## **Benefits in respect of changing the Investment Strategy**

The key benefits of changing the Investment Strategy are:

- Continued benefits from investing in a diversified portfolio of assets (as included in the Index) but complimented by the application of an SRI screen; and
- Should Unitholders wish to obtain exposure to a portfolio with a focus on ESG, they will be able to do so by remaining a unitholder of the Sub-Fund while avoiding the operational cost and inconvenience of changing products.

## **The Condition**

The implementation of the Proposal and the change of name of the Sub-Fund are conditional upon the Proposal being approved in writing by at least 50% of Unitholder responses that are received in response to this letter (the "**Condition**").

If the Condition is satisfied, then the changes will be binding on all Unitholders from the Effective Date, irrespective of whether they responded to this Circular. If the Condition is not satisfied, then the Proposal will not be put into effect and the amendments referred to in this letter will not be made.

## **Tax implications**

The information given in this Circular is not exhaustive and does not constitute legal or tax advice. Any redemption of your Units may affect your tax position. You should consult your own professional advisers



as to the implications of the change of Investment Strategy and of your subscribing for, purchasing, holding, switching or disposing of Units under the laws of the jurisdictions in which you may be subject to tax.

**Next steps**

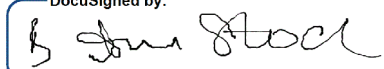
We would be grateful if you could confirm your consent to the Proposal by signing this letter in the position marked below, inserting your name and returning same to Vanguard Asset Management, Limited, 4th Floor, The Walbrook Building, 25 Walbrook, London, EC4N 8AF. A faxed or emailed copy will be accepted and can be sent for the attention of Arjan van Tongeren. Please respond with your signed letter by **close of business 15 July 2022**.

Should you have any queries in relation to this matter, do not hesitate to contact your sales representative.

**Recommendation**

**The Directors are of the opinion that the proposed changes are in the best interests of the Sub-Fund and its Unitholders as a whole and, accordingly, the Directors strongly recommend that you consent to the Proposal.**

Yours faithfully,

DocuSigned by:  
  
2488A9740333439...  
Director Ann Stock \_\_\_\_\_

**For and on behalf of  
Vanguard Group (Ireland) Limited**

**Please tick the appropriate box below:**

**I / We hereby consent to the amendments described under the Proposal, as set out above.**

**I / We hereby do not consent to the amendments described under the Proposal, as set out above.**

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**For and on behalf of**

**NAME OF UNITHOLDER: Stichting Klantvermogen Brand New Day**

## Appendix 1

### Mark-up of the changes to the Investment Strategy of the Sub-Fund (changed pages only)

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#### Vanguard SRI FTSE Developed World II (B) Common Contractual Fund

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#### 1. **Benchmark Index**

The FTSE Developed Index (the “**Index**”).

#### 2. **Investment Objective**

The Index is a market-capitalisation-weighted index of large and mid-sized common stocks of companies in developed countries. The Index securities are free-float weighted and liquidity screened to ensure that only the investable opportunity set is included. The Index provider conducts regular reviews to ensure that a continuous and accurate representation of the Index market is maintained. Further information on the composition of the Index may be obtained at <http://www.ftse.com/analytics/factsheets/Home/ConstituentsWeights>.

The Index provider has developed a customized socially responsible investing (“**SRI**”) screening process designed to analyse companies issuing securities in the Index, which may result in a number of Index components being excluded from the Index, as further described below.

#### 3. **Investment Objective**

The Sub-Fund seeks to provide long-term growth of capital by seeking to achieve the performance of the Index.

#### 4. **Primary Investment Strategies**

The Sub-Fund employs a “passive management”—or indexing—investment strategy designed to achieve the performance of the Index by investing in a portfolio of securities that, insofar as possible and practicable, consists of a representative sample of the component securities of the Index that satisfy the application of a screening process for socially responsible investing as described below.

The Sub-Fund promotes environmental and social characteristics by excluding companies from its portfolio based on the impact of their conduct or products on society and / or the environment. This is met by not holding stocks of companies in the Index that do not meet specific “socially responsible” criteria, as described below.

SRI is broadly defined as an investment approach that aims to integrate social, environmental, and

ethical considerations into investment selection. The Index provider has developed a customized SRI screening process designed to analyse companies issuing securities in the Index. The SRI screening process, which, excludes Index constituents that are or have engaged in activities that result in serious violations of the United Nations Global Compact (“UNGC”), is consistent with the characteristics promoted by the Sub-Fund. The UNGC is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with universally accepted principles in the areas of human rights, labour, the environment and anti-corruption.

The SRI screening process may also apply other criteria as necessary in developing the “socially responsible” screens, including avoidance of owning companies that are involved in the production of controversial weapons such as cluster munitions, land mines, biochemical and nuclear weapons and those involved in the manufacture and distribution of tobacco products.

The SRI screening process is a pre-determined, rules-based methodology applied objectively by the Index provider to the Index, which results in a SRI exclusion list of companies that have failed the screening process. The Index provider seeks to provide an up-to-date SRI exclusion list to the Investment Manager on a quarterly basis. The Investment Manager will remove stock of companies included in the SRI exclusion list from the list of Index stocks eligible for investment by the Sub-Fund. It is possible that the Sub-Fund may purchase a stock which is subsequently determined to be non-eligible in accordance with the SRI exclusion list, due to the activities of the particular company after the Sub-Fund has purchased the stock. In such circumstances, the Investment Manager will aim to sell the non-eligible stock as soon as possible, taking into account the best interests of Unitholders.

The Sub-Fund will hold a representative sample of those Index securities meeting socially responsible criteria in approximate proportion to its weighting in the Index, optimising the Sub-Fund to match the risk factors and performance of the Index. Although the Sub-Fund will refrain from holding stocks of companies contained in the Index but excluded by the SRI screening process, it will seek to perform consistently with the unscreened Index. To accomplish this objective, the Investment Manager uses index “sampling” techniques to select securities. Using sophisticated computer programs, the Investment Manager selects a representative sample of the securities that meet the SRI screening process that approximates the full Index in terms of key risk factors and other characteristics. These factors include price/earnings ratio, industry weights, country weights, market capitalisation, dividend yield, and other financial characteristics of stocks. The Investment Manager will attempt to minimise deviations in currency, country, and sector exposures as compared with that of the Index.

However, it is possible that, if a large Index constituent is excluded, there may be a lack of substitutes within the same country and sector, which would result in a potential mismatch of the Sub-Fund’s weighted holdings relative to the Index.

While the Sub-Fund promotes environmental and social characteristics, it does not commit to making sustainable investments (including environmentally sustainable investments within the meaning of the Taxonomy Regulation). As such, the Sub-Fund makes a minimum commitment of 0% in environmentally sustainable investments.

The “do no significant harm” principle applies only to those investments underlying the Sub-Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities.

For more information on the potential implications of this strategy to Unitholders please refer to **Index Risk, Index Sampling Risk** and **Index Tracking Risk** in the **Risk Factors** section of the Prospectus.

5. **Investment Policies**

6. **Investment Policies**

The below investment policies are supplemental to the primary investment strategies referred to above:

- The Sub-Fund’s investment policy is to remain substantially invested in common stocks.
- The Sub-Fund may invest in short-term fixed income securities due to its uncommitted cash balances and the need to maintain liquidity to meet Unitholder redemptions.
- The Sub-Fund may invest in convertible securities listed or traded on Regulated Markets in OECD Member States and other countries, provided that the Sub-Fund will not invest more than 10% of its net assets in convertible securities listed or traded on Regulated Markets in non-OECD Member States. Investments in convertible securities shall not exceed 25% of the net assets of the Sub-Fund.
- The Sub-Fund may invest in investment-grade short-term fixed income securities listed or traded on Regulated Markets in OECD Member States and other countries.
- The Sub-Fund will not invest more than 10% of its net assets in short-term fixed income securities listed or traded on Regulated Markets in non-OECD Member States.
- The Sub-Fund will not invest more than 10% of its net assets in short-term fixed income securities with a debt rating that is less than Prime-1 (“**P-1**”) from Moody’s Investor Service, Inc. (“**Moody’s**”) or less than A-1+ from Standard and Poor’s (“**S&P**”) or the equivalent as determined by the Investment Manager. These short-term securities may include obligations of any country included in the Index, commercial paper (rated P-1 by Moody’s or A-1+ by S&P),

bank certificates of deposit and banker's acceptances.

The Sub-Fund may invest in warrants or hold warrants where these are issued by reason of or in connection with transferable securities held in the Sub-Fund or otherwise hold warrants for efficient portfolio management purposes. The Sub-Fund will not invest or hold more than 5% of its net assets in warrants.

The Sub-Fund may invest in equity-linked notes, but it may not invest more than 10% of its net assets in such notes unless they are issued as transferable securities that are listed or traded on Regulated Markets in OECD Member States with a long-term debt rating of Aa3 or better from Moody's or AA- or better from S&P or the equivalent as determined by the Investment Manager.

The Sub-Fund may, for the purpose of posting eligible collateral in respect of FDI transactions, invest in stocks, which may not meet the relevant SRI ratings/criteria applied to the Index constituents. In respect of FDI transactions, the Sub-Fund may also be required to receive collateral which may not meet the relevant SRI ratings/criteria applied to the Index constituents.

The Sub-Fund may invest in FDI for efficient portfolio management purposes. Generally speaking, a derivative is a financial contract whose value is based on the value of a financial asset (such as a stock, bond, or currency) or a market index. For efficient portfolio management or hedging purposes, including to help the Sub-Fund stay fully invested and reduce transaction costs, the Sub-Fund may utilise futures, forward currency exchange contracts, options and total return swaps in accordance with the limits and conditions specified under **Portfolio Investment Techniques** in **Appendix 3** of this Prospectus. Investors should note that FDI on an index (e.g. swaps, futures) may contain some underlying constituents which may not meet the relevant SRI ratings/criteria applied to the Index constituents.

The Sub-Fund may invest no more than 10% of its net assets in collective investment schemes, including exchange traded funds ("**ETFs**") which are UCITS or which comply in all material respects with the Central Bank UCITS Regulations.

The Sub-Fund may also enter into repurchase agreements, reverse repurchase agreements and security lending arrangements for the purposes of efficient portfolio management in accordance with the limits and conditions specified under **Portfolio Investment Techniques** in **Appendix 3** of this Prospectus. In respect of securities lending arrangements, the Sub-Fund may receive collateral which may not meet the relevant SRI ratings/criteria applied to the Index constituents. Please see **Repurchase and Reverse Repurchase Agreements Risk** and **Securities Lending Arrangements Risk** in the **Risk Factors** section of this Prospectus.

Further details on the investment powers and restrictions for the Sub-Fund are available under

**Investment Powers and Restrictions** in **Appendix 2** to this Prospectus.

## 5. **Tracking Error**

It is anticipated that, under normal market circumstances, the annualised ex-post Tracking Error of the Sub-Fund will be up to 0.5%. While it is anticipated that the ex-post Tracking Error of the Sub-Fund under normal circumstances will not vary significantly from this level, there is no guarantee that this level of Tracking Error of the Sub-Fund will be realised and none of the Fund, the Manager or the Investment Manager or any of their affiliates will be liable for any discrepancies between the anticipated Tracking Error and the level of Tracking Error subsequently observed.

Reasons for discrepancies could include the composition of the portfolio, valuation basis, market volatility, liquidity, currency exchange rates, tax and securities lending income. The annual report of the Fund will provide an explanation of any divergence between anticipated and realised Tracking Error for the relevant period. As the Sub-Fund matures (i.e. grows in size and subscriptions and redemptions generally offset each other), it is possible that Tracking Error may be reduced. Please refer to the section of the Prospectus headed **Plain Talk about Excess Return and Tracking Error** for further information on Tracking Error.

The Index rebalances on a semi-annual basis in March and September. For the potential cost impacts of rebalancing, please see the section headed **Index Rebalancing and Costs** of this Prospectus for further information.

## 6. **Financial Derivative Instruments**

Please see the below descriptions of types of financial derivative instruments that can be used by the Sub-Fund for efficient portfolio management purposes as set out in more detail in the above section headed Investment Policies.

**Futures.** Futures contracts are agreements to buy or sell a fixed amount of an index, equity, bond or currency at a fixed date in the future. Futures contracts are exchange-traded instruments and their dealing is subject to the rules of the exchanges on which they are dealt. An interest rate future is a futures contract with an interest bearing instrument as the underlying asset. In addition, futures are used to gain exposure to the Index where it is not possible or practicable to invest directly in the components of the Index.

**Forward Foreign Exchange Contracts.** Forward foreign exchange contracts are agreements between parties to exchange fixed amounts of different currencies at an agreed exchange rate at an agreed time in the future. Forward foreign exchange contracts are similar to currency futures, except that they are not exchange-traded, but are instead over the counter instruments. Forward foreign exchange contracts

may be used to manage currency exposures. Non-deliverable forward foreign exchange contracts may be used for the same reasons. They differ from standard forward foreign exchange contracts in that at least one of the currencies in the transaction is not permitted to be delivered in settlement of any profit or loss resulting from the transaction. Typically, profit or loss in this case will be delivered in US Dollars or Euro.

**Options.** Options are contracts in which the writer (seller) promises that the contract buyer has the right, but not the obligation, to buy or sell a certain index, equity, bond or currency at a certain price (the strike price) on or before a certain expiration date, or exercise date. An option giving the buyer a right to buy at a certain price is called a call, while one that gives then the right to sell is called a put. Call and put options may be purchased and written on securities, securities indices and currencies and options may be used on futures contracts and swap agreements and / or to hedge against in interest rates, currency exchange rates and securities prices. A swaption is a type of option contract which gives the contract buyer the right, but not the obligation, to enter into a swap.

**Total Return Swaps.** A total return swap is an agreement between two parties whereby one party makes payments to the other based on an agreed rate, while the other party makes payments to the first party based on the return of an underlying asset or assets which are consistent with the investment policies of the Sub-Fund.

#### 7. **Profile of a Typical Investor**

- Investors seeking general capital formation and / or asset optimisation.
- Investors with a long-term investment horizon.
- Investors with at least a basic knowledge of and / or experience with financial products.
- Investors that can bear financial losses (up to the total loss of the invested amount) and attach no importance to capital guarantees.

Further information may be obtained at <https://global.vanguard.com/portal/site/home>.

#### 8. **Primary Risks**

- Stock Market Risk
- Investment Style Risk
- Country Risk
- Currency Risk



- Index Sampling Risk
- Index Tracking Risk
- Sustainability Risk

For more information see the **Risk Factors** section of this Prospectus. In addition to the above the following additional risk factor shall apply to this Sub-Fund:

#### **Application of Screening Process**

The Index provider will apply a screening process to the Index, which excludes certain securities from the Index and the Sub-Fund therefore does not invest in these securities. Details of the Index provider's screening process can be found in the **Primary Investment Strategies** section above. There is the risk that, because the Sub-Fund will not invest in all of the companies that comprise the Index, but rather will exclude those securities that do not meet the Index provider's screening process, the performance of the Sub-Fund may be considerably different, and could be significantly lower, than the performance of the Index. The Sub-Fund expects to experience a higher degree of Tracking Error than is normally achieved in index funds since the application of the screening process to the Index will preclude the Sub-Fund from investing in stocks of certain companies otherwise included in the Index and which companies may, or may not, contribute significantly to the Index's overall performance.

#### **9. Sub-Fund Details**

**Investment Manager:** Vanguard Global Advisers, LLC

**Base Currency:** Euro

<b>Initial Offer Price</b>	<p>Un-launched classes of Units shall be issued at the initial offer price of €100 per Unit.</p> <p>The Initial Offer Price may be adjusted to reflect any adjustment ("swing") to the Net Asset Value per Unit of the Sub-Fund on the relevant Dealing Day, as set out in the Swing Pricing section in Appendix 1 of this Prospectus.</p>
<b>Initial Offer Period</b>	<p>The un-launched classes of Units are offered from 10:00 am (Irish time) on 22 July 2022 until the earlier of the receipt of an initial subscription or 5:00 pm (Irish time) on 21 January 2022 (or such other date as may be determined by the Manager and</p>

	notified to the Central Bank).
<b>Purchase Price</b>	After first issue at the NAV per Unit on the relevant Dealing Day.
<b>Redemption Price</b>	The NAV per Unit on the relevant Dealing Day.
<b>Valuation Point</b>	9.00 pm Irish time on the relevant Dealing Day.
<b>Dealing Days</b>	Each Business Day will be a Dealing Day except that, any day when markets on which the securities included in the Index are listed or traded, or markets relevant to that Index, are closed and as a result of which 25% or more of the securities in the Index may not be traded, shall not be a Dealing Day. However, the Sub-Fund will have at least one Dealing Day per fortnight. The Dealing Days for the Sub-Fund are available on <a href="https://global.vanguard.com/portal/site/loadPDF?country=global&amp;docId=11631">https://global.vanguard.com/portal/site/loadPDF?country=global&amp;docId=11631</a>
<b>Dealing Deadline - Subscriptions</b>	11.00 am (Irish time) on the relevant Dealing Day.
<b>Deadline for Receipt of Subscription monies</b>	3.30 pm Irish time on the Settlement Date where the “ <b>Settlement Date</b> ” is the second Business Day after the relevant Dealing Day.
<b>Dealing Deadline - Redemptions</b>	11.00 am on the relevant Dealing Day.
<b>Deadline for Payment of Redemption monies</b>	3.30 pm Irish time the Settlement Date where the “ <b>Settlement Date</b> ” is the second Business Day after the relevant Dealing Day.
<b>Distribution of Gross Income Payments – Distributing Units only</b>	<p>The Manager intends to declare Gross Income Payments in respect of the Distributing Units of the Sub-Fund.</p> <p>The Manager intends to distribute all or substantially all of the Gross Income of the Sub-Fund attributable to the Distributing Units of the Sub-Fund on a quarterly basis to Unitholders of the Distributing Units who are registered in the register as Unitholders as of the Gross Income Date. The Gross Income Date will normally be the last day of each calendar quarter. Gross Income Payments will normally be paid two weeks following the Gross Income Date. In the event such payment date falls on a non-Business Day, payment will be made on the first following Business Day.</p> <p>Declaration of Gross Income Payments is at the sole discretion</p>

	of the Manager. See the <b>Gross Income Payments</b> section of the Prospectus for more information.
<b>Publication of Unit Prices</b>	<a href="https://www.vanguard.nl/portal/inst/nl/en/product.html#/productType=indexfunds">https://www.vanguard.nl/portal/inst/nl/en/product.html#/productType=indexfunds</a>

<b>Classes of Units</b>	<b>Launch Date</b>	<b>ISIN</b>	<b>Minimum Subscription</b>	<b>Initial</b>	<b>Accumulation or Distributing</b>
Institutional B EUR Distributing Units – NL Pension	Not yet launched	IE00BVVQ9C85	€30,000,000		Distributing
Institutional B EUR Hedged Distributing Units – NL Pension	Not yet launched	IE00BVVQBB19	€30,000,000		Distributing
Institutional B EUR Accumulation Units – NL Pension	Not yet launched	IE00BVVQ9D92	€30,000,000		Accumulation
Institutional B EUR Hedged Accumulation – NL Pension	Not yet launched	IE00BVVQ9F17	€30,000,000		Accumulation
Institutional A EUR Accumulation Units - Statutory	Not yet launched	IE00BVVQ9G24	€5,000,000		Accumulation
Institutional A EUR Hedged Accumulation Units – Statutory	Not yet launched	IE00BVVQ9H31	€5,000,000		Accumulation
Institutional A EUR Distributing Units – Statutory	Not yet launched	IE00BVVQ9J54	€5,000,000		Distributing
Institutional A EUR Hedged Distributing Units – Statutory	Not yet launched	IE00BVVQBC26	€5,000,000		Distributing
Institutional B EUR Hedged	25 February 2016	IE00BVVQ9K69	€30,000,000		Accumulation

<b>Classes of Units</b>	<b>Launch Date</b>	<b>ISIN</b>	<b>Minimum Initial Subscription</b>	<b>Accumulation or Distributing</b>
Accumulation Units - NL FBI				
Institutional B EUR Accumulation Units - NL FBI	25 February 2016	IE00BVVQBD33	€30,000,000	Accumulation
Institutional B EUR Hedged Distributing Units - NL FBI	Not yet launched	IE00BVVQBF56	€30,000,000	Distributing
Institutional B EUR Distributing Units - NL FBI	Not yet launched	IE00BVVQBG63	€30,000,000	Distributing
Institutional B EUR Hedged Accumulation Units - NL Charity	Not yet launched	IE00BVVQ9L76	€30,000,000	Accumulation
Institutional B EUR Accumulation Units - NL Charity	Not yet launched	IE00BVVQ9M83	€30,000,000	Accumulation
Institutional B EUR Hedged Distributing Units - NL Charity	Not yet launched	IE00BVVQ9N90	€30,000,000	Distributing
Institutional B EUR Distributing Units - NL Charity	Not yet launched	IE00BVVQ9P15	€30,000,000	Distributing
Institutional B EUR Hedged Accumulation Units - NL Life Insurance Co.	Not yet launched	IE00BVVQ9Q22	€30,000,000	Accumulation
Institutional B EUR Accumulation Units - NL Life Insurance Co.	Not yet launched	IE00BVVQ9R39	€30,000,000	Accumulation
Institutional B EUR Hedged Distributing Units - NL Life Insurance Co.	Not yet launched	IE00BVVQBH70	€30,000,000	Distributing

<b>Classes of Units</b>	<b>Launch Date</b>	<b>ISIN</b>	<b>Minimum Subscription</b>	<b>Initial</b>	<b>Accumulation or Distributing</b>
Units - NL Life Insurance Co.					
Institutional B EUR Distributing Units - NL Life Insurance Co.	Not yet launched	IE00BVVQ9S46	€30,000,000		Distributing
Institutional A EUR Hedged Accumulation Units - NL Pension	Not yet launched	IE00BVVQBJ94	€5,000,000		Accumulation
Institutional A EUR Accumulation Units - NL Pension	Not yet launched	IE00BVVQBK00	€5,000,000		Accumulation
Institutional A EUR Hedged Distributing Units - NL Pension	Not yet launched	IE00BVVQBL17	€5,000,000		Distributing
Institutional A EUR Distributing Units - NL Pension	Not yet launched	IE00BVVQBM24	€5,000,000		Distributing
Institutional A EUR Hedged Accumulation Units - NL Life Insurance Co.	Not yet launched	IE00BVVQBX39	€5,000,000		Accumulation
Institutional A EUR Accumulation Units - NL Life Insurance Co.	Not yet launched	IE00BVVQDC65	€5,000,000		Accumulation
Institutional A EUR Hedged Distributing Units - NL Life Insurance Co.	Not yet launched	IE00BVVQBY46	€5,000,000		Distributing
Institutional A EUR Distributing Units - NL Life Insurance	Not yet launched	IE00BVVQBZ52	€5,000,000		Distributing

Classes of Units	Launch Date	ISIN	Minimum Subscription	Initial	Accumulation or Distributing
Co.					

#### 10. Mandatory Redemption Thresholds

- **Unitholding Threshold:** The Manager may redeem a Unitholder's entire holding if its redemption order results in the Net Asset Value of the Units held in the Sub-Fund falling beneath €50,000 or the equivalent in another currency.
- **Sub-Fund Threshold:** The Manager may redeem all the Units of the Sub-Fund if its Net Asset Value falls below €15 million or its equivalent in another currency.

#### 11. Fees and Expenses

The following table describes the fees and expenses you may pay if you buy and hold Units. The expenses shown under *Ongoing Charges* which will accrue daily and be paid monthly to the Manager may increase over time, but will not exceed, on an annual basis, 1.00% of the average net asset value of the Units. The Manager will absorb (directly or by way of refund to the Sub-Fund) any difference that may arise between the actual cost of the operations of the Sub-Fund and this fixed fee. Transaction costs incurred by the Sub-Fund for buying and selling securities are not reflected in the table.

<b>Unitholder Fees</b> <i>(fees paid directly from your investment)</i>				
	<b>Institutional B Units</b>	<b>Institutional B Hedged Units</b>	<b>Institutional A Units</b>	<b>Institutional A Hedged Units</b>
Sales Charge (Load) imposed on Purchases	None	None	None	None
Exchange Fee	None	None	None	None
Redemption Fee	None	None	None	None
<b>Ongoing Charges *</b> <i>(expenses deducted from the Sub-Fund's assets)</i>				
<b>Ongoing Charges</b>	<b>0.25%</b>	<b>0.27%</b>	<b>0.30%</b>	<b>0.32%</b>

\* All percentages are expressed as a percentage of the average Net Asset Value of the Sub-Fund. All

annual fund-operating expenses are paid by the Sub-Fund.