

## PRESS RELEASE

### VANGUARD INTRODUCES NEW 'ALL-IN-ONE' RETIREMENT AND MONTHLY INCOME ASSET ALLOCATION ETF

- **VRIF ETF is made up of eight existing low-cost underlying Vanguard index ETFs and features a management fee of 0.29%**
- **Offers broad diversification, transparent portfolio construction and regular rebalancing and monitoring**
- **Income-seeking investors will receive a targeted 4% annual payout**

TORONTO (September 16, 2020)— Vanguard Investments Canada Inc. today announced the listing of a new all-in-one and low-cost retirement income ETF, made up of eight existing low-cost underlying Vanguard index ETFs, four Vanguard equity ETFs and four Vanguard fixed income ETFs – representing the newest addition to its line-up of asset allocation ETFs. The [Vanguard Retirement Income ETF Portfolio](#) (ticker: VRIF) began trading on the TSX today.

“As they retire, Canadians face a new set of financial challenges including keeping up with inflation, meeting their monthly spending needs and the risk of potentially outliving their assets,” said Kathy Bock, Managing Director and Head, Vanguard Investments Canada Inc. “This ETF can help manage some of those risks by providing a predictable stream of income, within a simple yet sophisticated “all-in-one” retirement solution that provides broad diversification and regular rebalancing, at a low cost.”

A recent investor poll by Vanguard found that retirement is the number one investing objective for Canadians, with 78% listing it among their top two choices, followed by longer-term growth at 67%<sup>1</sup>. In addition, a report<sup>2</sup> last year by the World Economic Forum estimates that Canadians are expected to outlive their savings by an average of 10 years, reflecting similar findings in other developed nations, necessitating the need for prudent, low-cost and well-diversified portfolios that can provide dependable income.

“Following one of the sharpest market declines in recent memory earlier this year, Canadian investors and advisors are looking to effectively safeguard and manage their hard-earned assets to meet their retirement needs,” said Scott Johnston, head of product, Vanguard Canada. “For financial advisors, this provides a scalable and transparent solution for clients as a complement to their retirement strategy. For investors, this is a one-stop globally diversified and turnkey option that provides capital appreciation and monthly tax-efficient income.”

**Vanguard Retirement Income ETF Portfolio - TSX:VRIF** – The Vanguard Retirement Income ETF Portfolio seeks to provide a combination of consistent income with the possibility of some capital appreciation by investing in equity and fixed income securities, made up of eight underlying Vanguard index ETFs.

“Asset allocation ETFs are one of the fastest growing investment categories in Canada, having attracted \$4.5 billion (CAD) in under three years. They have been a game-changer for investors and we are pleased to offer that same ease of use, low cost, and disciplined portfolio construction to retirees and others seeking regular monthly income,” added Ms. Bock. “Another advantage to investors using these ETFs, is that they can rely on Vanguard’s global investment experts to monitor and assess the proper asset allocation to meet the return target.”

The ETF is a complement to the existing suite of [six all-in-one asset allocation ETFs](#), which have gathered more than \$3.5 billion (CAD) in assets since the initial launch in 2018. This brings the total number of Vanguard ETFs in Canada to 37, with \$26 billion (CAD) in ETF assets under management.

#### **New Vanguard ETF:**

<b>ETF</b>	<b>TSX Symbol</b>	<b>Management Fee<sup>3</sup></b>	<b>Targeted Annual Payout</b>
<b>Vanguard Retirement Income ETF Portfolio</b>	<b>VRIF</b>	<b>0.29%</b>	<b>4%</b>

<sup>1</sup>According to the results of a Vanguard study: Vanguard Brand & Advertising Tracker Research Report. July 2020. Completed by Chestnut Research.

<sup>2</sup>According to the World Economic Forum’s “[Investing in \(and For\) Our Future](#)” white paper report.

<sup>3</sup>The management fee is equal to the fee paid by the Vanguard ETF to Vanguard Investments Canada Inc. and does not include applicable taxes or other fees and expenses of the Vanguard ETF. For any Vanguard ETF which invests in underlying Vanguard fund(s), there shall be no duplication of management fees chargeable in connection with the Vanguard ETF and its investment in the Vanguard fund(s).

#### **About Vanguard**

Canadians own CAD \$43 billion in Vanguard assets, including Canadian and U.S.-domiciled ETFs, Canadian institutional products and Canadian mutual funds. Vanguard Investments Canada Inc. manages CAD \$27 billion in assets (as of July 31, 2020) with 36 Canadian ETFs, four mutual funds, 12 target retirement funds and eight pooled funds currently available. The Vanguard Group, Inc. is one of the world’s largest investment management companies and a leading provider of company-sponsored retirement plan services. Vanguard manages USD \$6.1 trillion (CAD \$8.5 trillion) in global assets, including over USD \$1.2 trillion (CAD \$1.6 trillion) in global ETF assets (as of June 30, 2020). Vanguard has offices in the United States, Canada, Mexico, Europe, Australia and Asia. The firm offers 427 funds, including ETFs, to its more than 30 million investors worldwide.

Vanguard operates under a unique operating structure. Unlike firms that are publicly held or owned by a small group of individuals, The Vanguard Group, Inc. is owned by Vanguard’s U.S.-domiciled funds and ETFs. Those funds, in turn, are owned by Vanguard clients. This unique mutual structure aligns Vanguard interests with those of its investors and drives the culture, philosophy, and policies throughout the Vanguard organization worldwide. As a

result, Canadian investors benefit from Vanguard's stability and experience, low-cost investing, and client focus. For more information, please visit [vanguardcanada.ca](http://vanguardcanada.ca).

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[Important information](#)

**Commissions, management fees, and expenses all may be associated with investment funds. Investment objectives, risks, fees, expenses, and other important information are contained in the prospectus; please read it before investing. Investment funds are not guaranteed, their values change frequently, and past performance may not be repeated. Vanguard funds are managed by Vanguard Investments Canada Inc. and are available across Canada through registered dealers.**