**PRESS RELEASE**

# Vanguard Canada announces biggest fee cut in its history

- **Vanguard has saved Canadian investors over $200 million through fee cuts since coming to Canada in 2011[1].**
- **Vanguard Canada's average management expense ratio (MER) on ETFs is now 0.16%, about half the ETF industry average[2].**
- **Fee reductions across one-quarter of total investment lineup including all asset allocation ETFs & mutual funds, which will see a drop of five basis points each in management fee to 0.17%, along with three fixed income ETFs.**

TORONTO (November 18, 2025) — Vanguard today announced fee cuts to 12 ETFs and mutual funds, encompassing one quarter of its investment funds. This represents the biggest fee cut in Vanguard's history in Canada. Vanguard has saved Canadian investors over $200 million since 2011[1].

"Throughout our history we have emphasized the importance of limiting the cost of investing as lower fees leave more money in investors' pockets and raise their potential returns," said Kathy Bock, Managing Director and Head of Vanguard Canada. "We focus on creating value for our investors, not extracting value from them. This is our most significant fee cut in our history in Canada and will help investors save for a big purchase, retire earlier or help fund their child's education."

**In investing, you get what you don't pay for. Costs matter.**

Across the industry, lower cost funds have historically out-performed higher-cost funds on a net-of-expenses basis (according to Vanguard and Morningstar research). Vanguard's index and active ETFs and mutual funds are among the lowest across all asset classes including equity, bond and multi-asset solutions.

In fact, over the past 10 years, Vanguard funds have beaten 81% of their peers on an asset-weighted basis (75% on a product count basis)[3]. Currently, the weighted average management expense ratio (MER) for Vanguard's ETFs is 0.16%, which is half the ETF industry average of 0.31%[2]. Vanguard has lowered fees seven times since launching its first suite of ETFs in Canada in 2011.

"Vanguard is an across-the-board cost leader with a deep commitment to help investors achieve investment success," said Sal D'Angelo, Head of Product and Marketing, Vanguard Canada. "For us, low costs aren't a pricing strategy, it is the way we are built to pass on the benefits of our size and scale to Canadian investors. Every dollar saved in fees is a dollar that stays in an investor's pocket and that compounds over time. There is false dichotomy between receiving strong fund performance and high-quality investment funds and obtaining low costs. At Vanguard, you can get both."

**Asset Allocation ETFs**

Since their launch in 2018, Vanguard's Asset Allocation ETFs have become one of the more popular choices among Canadian investors looking for a simple and diversified one-ticket investment solution. This ETF category has grown to $54B in assets this year and represent approximately 17% of total ETF industry cash flow this year (as of September 2025)[4]. These ETFs feature different weightings of stocks and bonds, eliminating the need for ongoing rebalancing or complex portfolio decisions.

"The verdict is in and Canadian investors and advisors are looking for well-constructed portfolios that are enduring, low-cost and offer broad diversification," added Mr. D'Angelo. "Lowering fees on one-quarter of our investment lineup reflects our view that investment costs matter and that even small savings can make a big difference over time, when it comes to your portfolio."

**Fee Reductions for Vanguard Canada's ETFs and Mutual Funds**

A full list of expense ratio reductions for Vanguard's ETFs and Mutual Funds can be found below. The changes in expense ratios are effective as of November 18, 2025.

| Fund | Ticker Symbol | Current Annual Management Fee | New Annual Management Fee |
|---|---|---|---|
| **Vanguard All-Equity ETF Portfolio** | VEQT | 0.22% | 0.17% |
| **Vanguard Growth ETF Portfolio** | VGRO | 0.22% | 0.17% |
| **Vanguard Balanced ETF Portfolio** | VBAL | 0.22% | 0.17% |
| **Vanguard Conservative ETF Portfolio** | VCNS | 0.22% | 0.17% |
| **Vanguard Conservative Income ETF Portfolio** | VCIP | 0.22% | 0.17% |

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|---|---|---|---|
| **Vanguard Global ex-U.S. Aggregate Bond Index ETF (CAD-hedged)** | VBG | 0.35% | 0.20% |
| **Vanguard Global Aggregate Bond Index ETF (CAD-hedged)** | VGAB | 0.30% | 0.20% |
| **Vanguard Canadian Government Bond Index ETF** | VGV | 0.15% | 0.10% |
| **Vanguard All-Equity ETF Portfolio Fund** | N/A | 0.22% | 0.17% |
| **Vanguard Growth ETF Portfolio Fund** | N/A | 0.22% | 0.17% |
| **Vanguard Balanced ETF Portfolio Fund** | N/A | 0.22% | 0.17% |
| **Vanguard Conservative ETF Portfolio Fund** | N/A | 0.22% | 0.17% |

[1]Sources: Since Vanguard entered the market in 2011, Canadian investors have realized over $200 million in cumulative savings through expense reductions on previous ETF expense reductions, not including our current fee reduction today. Vanguard, Strategic Insight and Morningstar Direct
[2]Sources: Vanguard, Strategic Insight and Morningstar Direct.
[3]Sources: Morningstar Direct.
[4]Sources: Morningstar Direct.

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

**About Vanguard**

Canadians own CAD $160 billion in Vanguard assets, including Canadian and U.S.-domiciled ETFs and Canadian mutual funds. Vanguard Investments Canada Inc. manages CAD $116 billion in assets (as of August 31, 2025) with 38 Canadian ETFs and ten mutual 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 $11.3 trillion (CAD $15.9 trillion) in global assets, including over USD $3.8 trillion (CAD $5.3 trillion) in global ETF assets (as of August 31, 2025). Vanguard has offices in the United States, Canada, Mexico, Europe and Australia. The firm offers 450 funds, including ETFs, to its more than 50 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 vanguard.ca.

<u>Important information</u>
**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.**

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