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Annual Report

for the Vanguard® Exchange Traded Funds

17 September 2025

Vanguard Investments Australia Ltd (ABN 72 072 881 086, AFS Licence 227263) announces the following:

ETF	ASX CODE	ANNOUNCEMENT
Vanguard Diversified Balanced Index ETF	VDBA	Annual Report
Vanguard Diversified Conservative Index ETF	VDCO	Annual Report
Vanguard Diversified Growth Index ETF	VDGR	Annual Report
Vanguard Diversified High Growth Index ETF	VDHG	Annual Report
Vanguard Diversified All Growth Index ETF	VDAL	Annual Report

Vanguard has prepared an Annual report for the year ended 30 June 2025, for the Vanguard Diversified Funds and ETFs. The ETFs above are classes of units in the relevant funds. Units in the ETF class are those that are traded on the Australian Securities Exchange (ASX).

The Annual report provides financial information for each fund and where indicated, provides specific information for the ETF class.

Further Information

If you have any queries on Vanguard ETFs, please visit vanguard.com.au

Past performance information is given for illustrative purposes only and should not be relied upon as, and is not, an indication of future performance. In preparing the information, individual circumstances, for example tax implications, have not been taken into account and it may, therefore, not be applicable to an individual's situation. Before making an investment decision, you should consider your circumstances and whether the above information is applicable to your situation.

© 2025 Vanguard Investments Australia Ltd (ABN 72 072 881 086 / AFS Licence 227263) ("Vanguard") is the issuer of the Vanguard® Australian ETFs.

Vanguard ETFs will only be issued to Authorised Participants. That is, persons who have entered into an Authorised Participant Agreement with Vanguard ("Eligible Investors"). Retail investors can transact in Vanguard ETFs through Vanguard Personal Investor, a stockbroker or financial adviser on the secondary market.

Investors should consider the Prospectus or Product Disclosure Statement ("PDS") in deciding whether to acquire Vanguard ETFs. Retail investors can only use the Prospectus or PDS for informational purposes. A copy of the Target Market Determinations (TMD) for Vanguard's financial products can be obtained at vanguard.com.au free of charge and include a description of who the financial product is appropriate for. You should refer to the TMD of these Funds before making any investment decisions. You can access our disclosure documents at vanguard.com.au or by calling 1300 655 101. This publication was prepared in good faith and we accept no liability for any errors or omissions.

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Vanguard

Annual Report | 30 June 2025

Vanguard Diversified Funds and ETFs

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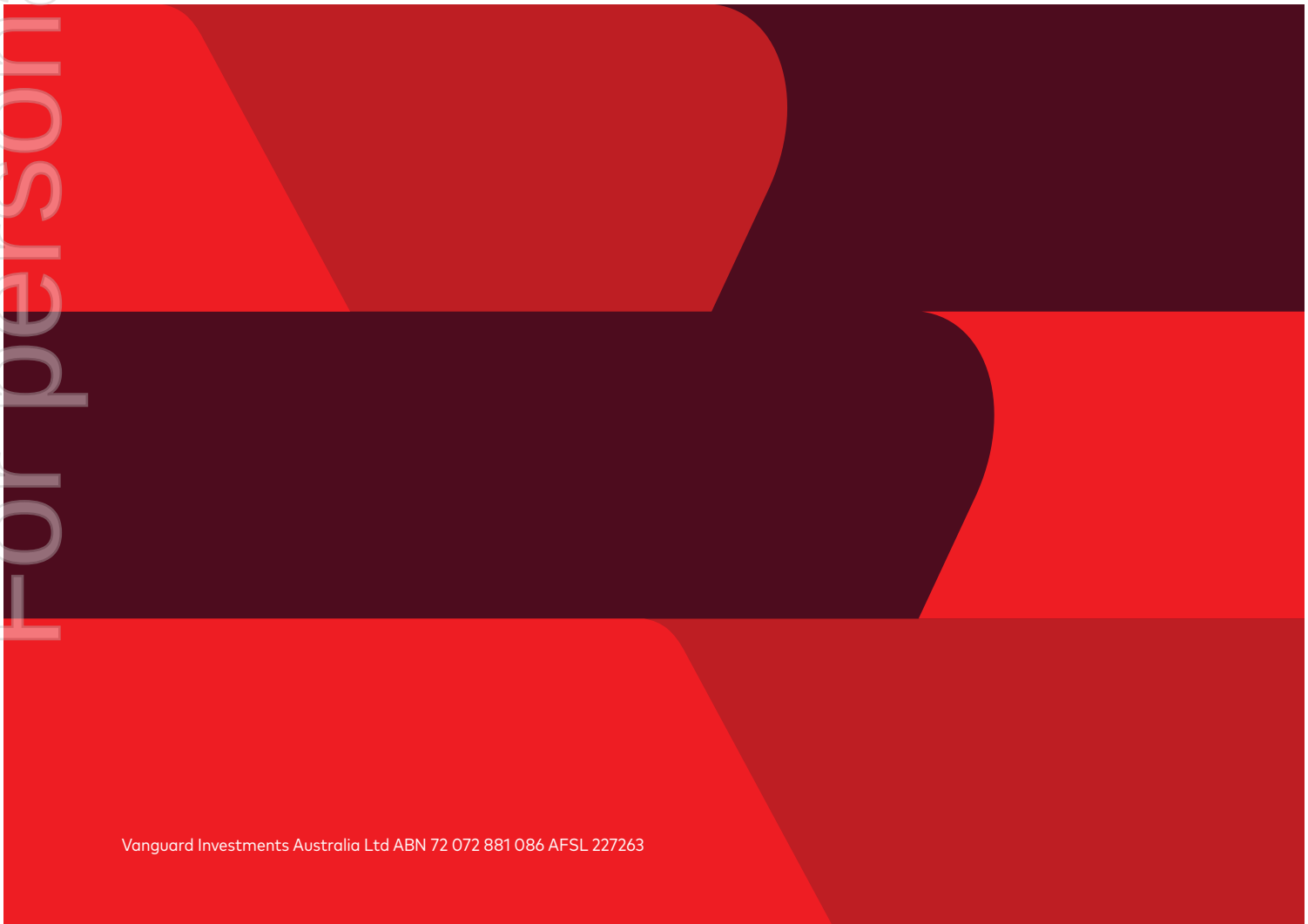

Vanguard Investments Australia Ltd ABN 72 072 881 086 AFSL 227263

Vanguard Diversified Funds and ETFs

Fund	ASX	ARSN	ABN
Vanguard Diversified Bond Index Fund	—	147 937 728	90 633 012 411
Vanguard Balanced Index Fund	VDBA	101 565 431	14 193 060 779
Vanguard Conservative Index Fund	VDCO	101 565 351	24 396 176 911
Vanguard Growth Index Fund	VDGR	101 565 520	43 698 348 922
Vanguard High Growth Index Fund	VDHG	101 565 637	71 339 405 674
Vanguard Diversified All Growth Index ETF	VDAL	681 791 051	83 192 377 557

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About Vanguard

Since our establishment in 1975, The Vanguard Group, Inc. ("Vanguard") has strived to be the world's highest-value provider of investment products and services. We have an unwavering focus on our clients with a commitment to champion what's best for investors by offering outstanding service, while keeping costs low.

Over the years Vanguard has built a reputation as a global leader in client advocacy and earned the trust of millions of investors along the way. Our sole purpose has been to align our interest with those of our investors to ensure they have the best chance for investment success.

With over AUD $16.67 trillion in assets under management globally as of 30 June 2025, including AUD $5.48 trillion in ETFs, Vanguard is one of the world's largest global investment management companies.

In Australia, Vanguard has been serving financial advisers, retail clients and institutional investors for nearly 30 years.

Our unique structure – putting investors' interests first

What sets Vanguard apart - and allows Vanguard to put investors first around the world - is the ownership structure of The Vanguard Group, Inc., in the United States.

Rather than being publicly traded or owned by a small group of individuals, The Vanguard Group, Inc., is owned by Vanguard's US-domiciled funds and ETFs. Those funds, in turn, are owned by their investors.

This mutual structure aligns our interests with those of our investors and drives the culture, philosophy and policies throughout the Vanguard organisation worldwide. As a result, Australian investors benefit from Vanguard's stability and experience, low costs and client focus.

Our investment expertise

When you invest with Vanguard, you have 50 years of investing experience behind you. So no matter which investment products suit your needs, you can feel confident that Vanguard investments are built on a rigorous investment philosophy that stands the test of time.

Low-cost investing

We know we can't control the markets, but we can control the costs of investing. To that end, providing low-cost investments isn't a pricing strategy for us. It's how we do business.

We can keep costs low because of our unique ownership structure in the United States, which allows us to return profits to investors through lower costs.

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Directors' report

The Responsible Entity of the Vanguard Diversified Funds and ETFs (the "Funds") for the period/year ended 30 June 2025 was Vanguard Investments Australia Ltd (the "Responsible Entity").

The directors of Vanguard Investments Australia Ltd present their report together with the financial statements for the period/year ended 30 June 2025.

Principal activities

The Funds invest in accordance with the investment policy of the Funds as set out in their respective Product Disclosure Statements (PDSs) and in accordance with the Funds' Constitution. The Funds predominantly invest in the Vanguard Wholesale and/or ETF Funds (Vanguard Funds), a group of listed and unlisted unit trusts which are also managed by the Responsible Entity. During the period/year, the PDSs of Vanguard Balanced Index Fund, Vanguard Conservative Index Fund, Vanguard Growth Index Fund and Vanguard High Growth Index Fund were updated to enable these Funds to invest in the Vanguard ETF share class of the selected strategies alongside the Vanguard Wholesale share class, commencing from 1 July 2024 onwards as communicated to unitholders in the notice dated 28 June 2024.

Vanguard Diversified All Growth Index ETF was registered as managed investment scheme with the Australian Securities and Investments Commission (ASIC) on 30 October 2024 and commenced operations from 4 March 2025.

The Funds seek to track the weighted average return of the various indices of the underlying Vanguard Funds in which they invest, in proportion to their strategic asset allocation, before taking into account fees, expenses and tax. The weights used are the strategic asset allocations to each asset class, for each individual Fund. See note 14 for details on the Funds' investments in Vanguard Funds.

The ETF Class units of the Funds operate as Exchange Traded Funds (ETFs) listed on the Australian Securities Exchange (ASX).

The Funds did not have any employees during the period/year.

There were no other significant changes in the nature of the activities of the Funds during the period/year.

Directors

The following persons held office as directors of the Responsible Entity during the period/year and up to the date of this report:

Daniel Shrimski

John Bendl (Resigned 10 January 2025)

Curt Jacques

Kim Petersen

Brian Dvorak (Appointed 26 July 2024)

Nicolas Pesciarelli (Appointed 10 January 2025)

Review and results of operations

The Funds invest in unlisted unit trusts, listed unit trusts, derivatives and cash and cash equivalents. The investment policy of the Funds continues to be in accordance with the provisions of the Funds' Constitution.

Results

The results of the operations of the Funds were as follows:

	Vanguard Diversified Bond Index Fund		Vanguard Balanced Index Fund		Vanguard Conservative Index Fund	
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
Operating profit/(loss) before finance costs attributable to unitholders ($'000)	**20,380**	9,038	**875,767**	662,313	**237,839**	172,550
Distributions - Wholesale Class						
Distribution paid and payable ($'000)	**2,145**	1,284	**246,915**	211,999	**71,504**	60,190
Distributions - ETF Class						
Distribution paid and payable ($'000)	**-**	-	**20,905**	13,840	**5,802**	3,080

Directors' report (continued)

Review and results of operations (continued)

Results (continued)

	Vanguard Growth Index Fund		Vanguard High Growth Index Fund	
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
Operating profit/(loss) before finance costs attributable to unitholders ($'000)	**1,425,279**	1,123,597	**1,459,314**	1,154,840
Distributions - Wholesale Class				
Distribution paid and payable ($'000)	**398,656**	304,412	**361,938**	244,325
Distributions - ETF Class				
Distribution paid and payable ($'000)	**33,425**	23,410	**122,078**	81,513

	Vanguard Diversified All Growth Index ETF **For the period to 30 Jun 2025**
Operating profit/(loss) before finance costs attributable to unitholders ($'000)	**3,503**
Distributions	
Distribution paid and payable ($'000)	**864**

Performance

The tables below detail the performance of the Funds as represented by the total return, net of fees, which is calculated as the aggregation of the percentage capital growth and percentage distribution of income. The total return is shown for the past five years to 30 June 2025 (except for Vanguard Diversified All Growth Index ETF) and assumes that all distributions were re-invested during that period. These are calculated in accordance with FSC Standard 6.0 Product Performance - calculation and presentation of returns. The directors assess the performance of the Funds by comparing each Fund's total return with the corresponding Index (the "Benchmark") gross of fees.

	30 Jun 2025 %	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %
Vanguard Diversified Bond Index Fund					
Capital growth	**4.99**	2.07	(1.33)	(11.16)	(8.55)
Distribution of income	**0.60**	0.39	0.19	0.36	8.03
Total return	**5.59**	2.46	(1.14)	(10.80)	(0.52)
Benchmark					
Diversified Bond Composite Index - Wholesale[(1)]	**5.83**	2.73	(0.86)	(10.64)	(0.31)

(1) Diversified Bond Composite Index - Wholesale comprises of (weight/index): 30% Bloomberg AusBond Composite 0+ Yr Index, 70% Bloomberg Global Aggregate Float-Adjusted and Scaled Index hedged into Australian dollars.

	30 Jun 2025 %	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %
Vanguard Balanced Index Fund - Wholesale Class					
Capital growth	**7.37**	5.68	5.32	(12.38)	2.34
Distribution of income	**3.36**	3.08	2.19	2.69	11.64
Total return	**10.73**	8.76	7.51	(9.69)	13.98
Benchmark					
Balanced Composite Index[(2)]	**11.05**	9.12	8.01	(9.46)	14.38

(2) Balanced Composite Index comprises of (weight/index): 20% S&P/ASX 300 Index, 14.5% MSCI World ex-Australia Index (with net dividends reinvested) in Australian dollars, 9% MSCI World ex-Australia Index (with net dividends reinvested) hedged to Australian dollars, 3.5% MSCI World ex-Australia Small Cap Index (with net dividends reinvested) in Australian dollars, 3% MSCI Emerging Markets Index (with net dividends reinvested) in Australian dollars, 15% Bloomberg AusBond Composite 0+ Yr Index, 35% Bloomberg Global Aggregate Float-Adjusted and Scaled Index hedged to Australian dollars.

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Directors' report (continued)

Review and results of operations (continued)

Performance (continued)

	30 Jun 2025 %	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %
Vanguard Balanced Index Fund - ETF Class					
Capital growth	**7.50**	6.39	5.74	(12.34)	2.41
Distribution of income	**3.26**	2.39	1.78	2.68	11.58
Total return	**10.76**	8.78	7.52	(9.66)	13.99
Benchmark					
Balanced Composite Index[2]	**11.05**	9.12	8.01	(9.46)	14.38

(2) Balanced Composite Index comprises of (weight/index): 20% S&P/ASX 300 Index, 14.5% MSCI World ex-Australia Index (with net dividends reinvested) in Australian dollars, 9% MSCI World ex-Australia Index (with net dividends reinvested) hedged to Australian dollars, 3.5% MSCI World ex-Australia Small Cap Index (with net dividends reinvested) in Australian dollars, 3% MSCI Emerging Markets Index (with net dividends reinvested) in Australian dollars, 15% Bloomberg AusBond Composite 0+ Yr Index, 35% Bloomberg Global Aggregate Float-Adjusted and Scaled Index hedged to Australian dollars.

	30 Jun 2025 %	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %
Vanguard Conservative Index Fund - Wholesale Class					
Capital growth	**5.69**	3.97	3.22	(10.87)	(2.09)
Distribution of income	**2.87**	2.43	1.18	1.81	10.11
Total return	**8.56**	6.40	4.40	(9.06)	8.02
Benchmark					
Conservative Composite Index[3]	**8.82**	6.70	4.77	(8.88)	8.33

(3) Conservative Composite Index comprises of (weight/index): 12% S&P/ASX 300 Index, 8.5% MSCI World ex-Australia Index (with net dividends reinvested) in Australian dollars, 5.5% MSCI World ex-Australian Index (with net dividends reinvested) hedged into Australian dollars, 2% MSCI World ex-Australia Small Cap Index (with net dividends reinvested) in Australian dollars, 2% MSCI Emerging Markets Index (with net dividends reinvested) in Australian dollars, 18% Bloomberg AusBond Composite 0+ Yr Index, 42% Bloomberg Global Aggregate Float-Adjusted and Scaled Index hedged into Australian dollars, 10% Bloomberg AusBond Bank Bill Index.

	30 Jun 2025 %	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %
Vanguard Conservative Index Fund - ETF Class					
Capital growth	**5.96**	4.85	3.21	(10.75)	(1.76)
Distribution of income	**2.63**	1.58	1.20	1.71	9.80
Total return	**8.59**	6.43	4.41	(9.04)	8.04
Benchmark					
Conservative Composite Index[3]	**8.82**	6.70	4.77	(8.88)	8.33

(3) Conservative Composite Index comprises of (weight/index): 12% S&P/ASX 300 Index, 8.5% MSCI World ex-Australia Index (with net dividends reinvested) in Australian dollars, 5.5% MSCI World ex-Australian Index (with net dividends reinvested) hedged into Australian dollars, 2% MSCI World ex-Australia Small Cap Index (with net dividends reinvested) in Australian dollars, 2% MSCI Emerging Markets Index (with net dividends reinvested) in Australian dollars, 18% Bloomberg AusBond Composite 0+ Yr Index, 42% Bloomberg Global Aggregate Float-Adjusted and Scaled Index hedged into Australian dollars, 10% Bloomberg AusBond Bank Bill Index.

	30 Jun 2025 %	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %
Vanguard Growth Index Fund - Wholesale Class					
Capital growth	**8.69**	7.97	8.46	(12.68)	8.32
Distribution of income	**3.93**	3.39	2.74	3.35	11.97
Total return	**12.62**	11.36	11.20	(9.33)	20.29
Benchmark					
Growth Composite Index[4]	**13.12**	11.75	11.72	(9.05)	20.76

(4) Growth Composite Index comprises of (weight/index): 28% S&P/ASX 300 Index, 20.5% MSCI World ex-Australia Index (with net dividends reinvested) in Australian dollars, 12.5% MSCI World ex-Australia Index (with net dividends reinvested) hedged to Australian dollars, 5% MSCI World ex-Australia Small Cap Index (with net dividends reinvested) in Australian dollars, 4% MSCI Emerging Markets Index (with net dividends reinvested) in Australian dollars, 9% Bloomberg AusBond Composite 0+ Yr Index, 21% Bloomberg Global Aggregate Float-Adjusted and Scaled Index hedged to Australian dollars.

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Directors' report (continued)

Review and results of operations (continued)

Performance (continued)

	30 Jun 2025 %	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %
Vanguard Growth Index Fund - ETF Class					
Capital growth	**9.05**	8.15	8.45	(12.57)	9.23
Distribution of income	**3.61**	3.25	2.75	3.27	11.08
Total return	**12.66**	11.40	11.20	(9.30)	20.31
Benchmark					
Growth Composite Index[4]	**13.12**	11.75	11.72	(9.05)	20.76

(4) Growth Composite Index comprises of (weight/index): 28% S&P/ASX 300 Index, 20.5% MSCI World ex-Australia Index (with net dividends reinvested) in Australian dollars, 12.5% MSCI World ex-Australia Index (with net dividends reinvested) hedged to Australian dollars, 5% MSCI World ex-Australia Small Cap Index (with net dividends reinvested) in Australian dollars, 4% MSCI Emerging Markets Index (with net dividends reinvested) in Australian dollars, 9% Bloomberg AusBond Composite 0+ Yr Index, 21% Bloomberg Global Aggregate Float-Adjusted and Scaled Index hedged to Australian dollars.

	30 Jun 2025 %	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %
Vanguard High Growth Index Fund - Wholesale Class					
Capital growth	**9.68**	9.95	11.64	(13.19)	13.70
Distribution of income	**4.82**	4.07	3.27	4.20	13.22
Total return	**14.50**	14.02	14.91	(8.99)	26.92
Benchmark					
High Growth Composite Index[5]	**15.17**	14.43	15.52	(8.70)	27.45

(5) High Growth Composite Index comprises of (weight/index): 36% S&P/ASX 300 Index, 26.5% MSCI World ex-Australia Index (with net dividends reinvested) in Australian dollars, 16% MSCI World ex-Australia Index (with net dividends reinvested) hedged to Australian dollars, 6.5% MSCI World ex-Australia Small Cap Index (with net dividends reinvested) in Australian dollars, 5% MSCI Emerging Markets Index (with net dividends reinvested) in Australian dollars, 3% Bloomberg AusBond Composite 0+ Yr Index, 7% Bloomberg Global Aggregate Float-Adjusted and Scaled Index hedged to Australian dollars.

	30 Jun 2025 %	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %
Vanguard High Growth Index Fund - ETF Class					
Capital growth	**9.71**	10.00	11.60	(13.09)	15.29
Distribution of income	**4.84**	4.06	3.28	4.13	11.67
Total return	**14.55**	14.06	14.88	(8.96)	26.96
Benchmark					
High Growth Composite Index[5]	**15.17**	14.43	15.52	(8.70)	27.45

(5) High Growth Composite Index comprises of (weight/index): 36% S&P/ASX 300 Index, 26.5% MSCI World ex-Australia Index (with net dividends reinvested) in Australian dollars, 16% MSCI World ex-Australia Index (with net dividends reinvested) hedged to Australian dollars, 6.5% MSCI World ex-Australia Small Cap Index (with net dividends reinvested) in Australian dollars, 5% MSCI Emerging Markets Index (with net dividends reinvested) in Australian dollars, 3% Bloomberg AusBond Composite 0+ Yr Index, 7% Bloomberg Global Aggregate Float-Adjusted and Scaled Index hedged to Australian dollars.

	30 Jun 2025 %
Vanguard Diversified All Growth Index ETF	
Capital growth	**3.47***
Distribution of income	**1.58***
Total return	**5.05***
Benchmark	
All Growth Composite Index[6]	**16.19#**

* *From 4 March 2025 to 30 June 2025*

(6) All Growth Composite Index comprises of (weight/index): 40% S&P/ASX 300 Index, 29.5% MSCI World ex-Australia Index (with net dividends reinvested) in Australian dollars, 18% MSCI World ex-Australia Index (with net dividends reinvested) hedged to Australian dollars, 7% MSCI World ex-Australia Small Cap Index (with net dividends reinvested) in Australian dollars, 5.5% MSCI Emerging Markets Index (with net dividends reinvested) in Australian dollars.

\# *Annual benchmark return*

Investors should be aware that past performance is not necessarily an indicator of future performance.

Directors' report (continued)

Review and results of operations (continued)

Unit redemption prices

Unit redemption prices (quoted including distribution) are shown as follows:

	At		Period high		Period low	
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	$	$	**$**	$	**$**	$
Vanguard Diversified Bond Index Fund	**0.8622**	0.8209	**0.8623**	0.8306	**0.8168**	0.7761
Vanguard Balanced Index Fund - Wholesale Class	**1.5347**	1.4327	**1.5347**	1.4481	**1.4124**	1.2828
Vanguard Balanced Index Fund - ETF Class	**58.8001**	54.7739	**58.8001**	55.1987	**54.1435**	48.8519
Vanguard Conservative Index Fund - Wholesale Class	**1.2387**	1.1751	**1.2387**	1.1838	**1.1604**	1.0801
Vanguard Conservative Index Fund - ETF Class	**55.0128**	51.7860	**55.0128**	52.0720	**51.4594**	47.4890
Vanguard Growth Index Fund - Wholesale Class	**1.6911**	1.5596	**1.6911**	1.5740	**1.5149**	1.3594
Vanguard Growth Index Fund - ETF Class	**64.7005**	59.3982	**64.7005**	59.9413	**57.9539**	51.7701
Vanguard High Growth Index Fund - Wholesale Class	**2.1462**	1.9574	**2.1462**	1.9746	**1.8704**	1.6643
Vanguard High Growth Index Fund - ETF Class	**70.7174**	64.4858	**70.7174**	65.0318	**61.6220**	54.8080
Vanguard Diversified All Growth Index ETF	**52.4283**	-	**52.4283**	-	**45.0226**	-

Significant changes in state of affairs

During the period/year, the PDSs of Vanguard Balanced Index Fund, Vanguard Conservative Index Fund, Vanguard Growth Index Fund and Vanguard High Growth Index Fund were updated to enable these Funds to invest in the Vanguard ETF share class of the selected strategies alongside the Vanguard Wholesale share class, commencing from 1 July 2024 onwards as communicated to unitholders in the notice dated 28 June 2024.

Brian Dvorak appointed as Director of Vanguard Investments Australia Ltd on 26 July 2024.

John Bendl resigned as Director of Vanguard Investments Australia Ltd on 10 January 2025.

Nicolas Pesciarelli appointed as Director of Vanguard Investments Australia Ltd on 10 January 2025.

Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, acts of terrorism, political or regulatory conditions or other events, can adversely affect local and global markets and normal market operations. Any such disruptions could have an adverse impact on the value of the Funds' investments and Funds' performance.

Vanguard Diversified All Growth Index ETF was registered as managed investment scheme with the Australian Securities and Investments Commission (ASIC) on 30 October 2024 and commenced operations from 4 March 2025.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Funds that occurred during the financial period/year.

Matters subsequent to the end of the financial period/year

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect:

(i) the operations of the Funds in future financial years;

(ii) the results of those operations in future financial years; or

(iii) the state of affairs of the Funds in future financial years.

Likely developments and expected results of operations

The Funds will continue to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Funds and in accordance with the provisions of the Funds' Constitution.

The results of the Funds' operations will be affected by a number of factors, including the performance of investment markets in which the Funds invest. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

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Directors' report (continued)

Indemnity and insurance of officers and auditors

No insurance premiums were paid for out of the assets of the Funds in regards to insurance cover provided to either the officers of Vanguard Investments Australia Ltd or the auditors of the Funds. So long as the officers of Vanguard Investments Australia Ltd act in accordance with the Funds' Constitution and the Law, the officers remain indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds. The auditors of the Funds are in no way indemnified out of the assets of the Funds.

Fees paid to and interests held in the Funds by the Responsible Entity or its associates

Fees paid to the Responsible Entity and its associates out of the Funds' property during the period/year are disclosed in note 14 of the financial statements.

No fees were paid out of the Funds' property to the directors of the Responsible Entity during the period/year.

The number of interests in the Funds held by the Responsible Entity or its associates as at the end of the financial period/year are disclosed in note 14 of the financial statements.

Interests in the Funds

The movement in units on issue in the Funds during the period/year is disclosed in note 8 of the financial statements.

The value of the Funds' assets and liabilities are disclosed on the balance sheet and derived using the basis set out in note 2 of the financial statements.

Environmental regulation

The operations of the Funds are not subject to any particular or significant environmental regulations under either Commonwealth, State or Territory law.

Rounding of amounts to the nearest thousand dollars

Amounts in the directors' report have been rounded to the nearest thousand dollars in accordance with *Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, unless otherwise indicated.

Additional disclosures

The relief available in *ASIC Corporations (Related Scheme Reports) Instrument 2015/839* has been applied in the directors' report and the financial report, combining information related to multiple Funds. In accordance with that, information related to each included Fund has been readily identified and amounts for each included Fund is presented in the adjacent columns in this report. The *ASIC Corporations (Disclosing Entities) Instrument 2016/190* provides relief for entities from half-year reporting under sections 302 and 306 of the *Corporations Act 2001* if their first financial year is 8 months or less. Vanguard Diversified All Growth Index ETF was registered on 30 October 2024 and qualified for this relief.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 8.

This report is made in accordance with a resolution of the directors.

Daniel Shrimski

Managing Director, Vanguard Investments Australia Ltd

Melbourne

11 September 2025

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Auditor's Independence Declaration

- Vanguard Diversified Bond Index Fund
- Vanguard Balanced Index Fund*
- Vanguard Conversative Index Fund*
- Vanguard Growth Index Fund*
- Vanguard High Growth Index Fund*
- Vanguard Diversified All Growth Index ETF*

referred to collectively as the Vanguard Diversified Funds and ETFs.

*denotes listed Funds

As lead auditor for the audit of Vanguard Diversified Funds and ETFs for the period/year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been:

a. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b. no contraventions of any applicable code of professional conduct in relation to the audit.

Adrian Gut
Partner
PricewaterhouseCoopers

Melbourne
11 September 2025

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Liability limited by a scheme approved under Professional Standards Legislation.

Statements of comprehensive income

For the period/year ended 30 June 2025

	Notes	Vanguard Diversified Bond Index Fund		Vanguard Balanced Index Fund		Vanguard Conservative Index Fund	
		30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
		$'000	$'000	**$'000**	$'000	**$'000**	$'000
Investment income							
Interest income		**10**	15	**403**	414	**131**	129
Distribution income		**10,342**	7,689	**312,909**	237,235	**98,196**	81,278
Net gains/(losses) on financial instruments at fair value through profit or loss	5	**10,274**	1,554	**568,411**	429,946	**141,642**	93,199
Other operating income		**-**	-	**49**	78	**16**	27
Total net investment income/(loss)		**20,626**	9,258	**881,772**	667,673	**239,985**	174,633
Expenses							
Responsible Entity's fees	15	**244**	218	**5,999**	5,357	**2,142**	2,080
Custody fees		**2**	2	**5**	3	**4**	3
Transaction costs		**-**	-	**1**	-	**-**	-
Total operating expenses		**246**	220	**6,005**	5,360	**2,146**	2,083
Operating profit/(loss)		**20,380**	9,038	**875,767**	662,313	**237,839**	172,550
Finance costs attributable to unitholders							
Distributions to unitholders	9	**-**	-	**(267,820)**	(225,839)	**(77,306)**	(63,270)
(Increase)/decrease in net assets attributable to unitholders	8	**-**	-	**(607,947)**	(436,474)	**(160,533)**	(109,280)
Profit/(loss) for the period/year		**20,380**	9,038	**-**	-	**-**	-
Other comprehensive income		**-**	-	**-**	-	**-**	-
Total comprehensive income for the period/year		**20,380**	9,038	**-**	-	**-**	-

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

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Statements of comprehensive income (continued)

For the period/year ended 30 June 2025

	Notes	Vanguard Growth Index Fund		Vanguard High Growth Index Fund		Vanguard Diversified All Growth Index ETF
		30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**For the period to 30 Jun 2025**
		$'000	$'000	**$'000**	$'000	**$'000**
Investment income						
Interest income		**593**	550	**668**	516	**5**
Distribution income		**489,297**	346,501	**475,858**	319,482	**489**
Net gains/(losses) on financial instruments at fair value through profit or loss	5	**943,929**	783,810	**990,263**	840,778	**2,980**
Other operating income		**181**	83	**386**	123	**38**
Total net investment income/(loss)		**1,434,000**	1,130,944	**1,467,175**	1,160,899	**3,512**
Expenses						
Responsible Entity's fees	15	**8,713**	7,343	**7,851**	6,054	**8**
Custody fees		**8**	4	**10**	5	**1**
Total operating expenses		**8,721**	7,347	**7,861**	6,059	**9**
Operating profit/(loss)		**1,425,279**	1,123,597	**1,459,314**	1,154,840	**3,503**
Finance costs attributable to unitholders						
Distributions to unitholders	9	**(432,081)**	(327,822)	**(484,016)**	(325,838)	**-**
(Increase)/decrease in net assets attributable to unitholders	8	**(993,198)**	(795,775)	**(975,298)**	(829,002)	**-**
Profit/(loss) for the period/year		**-**	-	**-**	-	**3,503**
Other comprehensive income		**-**	-	**-**	-	**-**
Total comprehensive income for the period/year		**-**	-	**-**	-	**3,503**

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

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Balance sheets

As at 30 June 2025

	Notes	Vanguard Diversified Bond Index Fund		Vanguard Balanced Index Fund		Vanguard Conservative Index Fund	
		30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
		$'000	$'000	**$'000**	$'000	**$'000**	$'000
Assets							
Cash and cash equivalents	10	**775**	209	**32,886**	7,913	**12,817**	2,210
Receivable for securities sold		**113**	553	**50,820**	93,070	**4,739**	25,949
Receivables		**202**	361	**7,456**	4,056	**5,346**	1,631
Accrued income		**3,706**	2,494	**101,922**	88,740	**29,242**	24,884
Financial assets at fair value through profit or loss	6	**386,416**	348,597	**8,827,434**	7,966,966	**2,914,816**	2,756,249
Total assets		**391,212**	352,214	**9,020,518**	8,160,745	**2,966,960**	2,810,923
Liabilities							
Distribution payable	9	**452**	384	**90,066**	101,401	**22,399**	28,120
Payables		**641**	743	**10,812**	14,255	**2,837**	4,735
Total liabilities		**1,093**	1,127	**100,878**	115,656	**25,236**	32,855
Net assets attributable to unitholders (equity)	8	**390,119**	351,087	**-**	-	**-**	-
Net assets attributable to unitholders (liability)	8	**-**	-	**8,919,640**	8,045,089	**2,941,724**	2,778,068

	Notes	Vanguard Growth Index Fund		Vanguard High Growth Index Fund		Vanguard Diversified All Growth Index ETF
		30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**
		$'000	$'000	**$'000**	$'000	**$'000**
Assets						
Cash and cash equivalents	10	**47,754**	11,768	**20,024**	12,060	**64**
Receivable for securities sold		**78,948**	121,055	**121,062**	113,926	**-**
Receivables		**14,365**	11,417	**18,300**	11,124	**5,768**
Accrued income		**159,472**	138,624	**153,266**	134,383	**338**
Financial assets at fair value through profit or loss	6	**12,553,467**	10,860,844	**11,749,857**	9,353,670	**61,982**
Total assets		**12,854,006**	11,143,708	**12,062,509**	9,625,163	**68,152**
Liabilities						
Payable for securities purchased		**-**	5,666	**-**	6,587	**4,955**
Distribution payable	9	**149,380**	154,995	**192,698**	157,745	**835**
Payables		**16,692**	9,858	**7,773**	5,968	**4**
Total liabilities		**166,072**	170,519	**200,471**	170,300	**5,794**
Net assets attributable to unitholders (equity)	8	**-**	-	**-**	-	**62,358**
Net assets attributable to unitholders (liability)	8	**12,687,934**	10,973,189	**11,862,038**	9,454,863	**-**

The above balance sheets should be read in conjunction with the accompanying notes.

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Statements of changes in equity

For the period/year ended 30 June 2025

	Notes	Vanguard Diversified Bond Index Fund		Vanguard Balanced Index Fund		Vanguard Conservative Index Fund	
		30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
		$'000	$'000	**$'000**	$'000	**$'000**	$'000
Total equity at the beginning of the financial period/year		**351,087**	294,333	**-**	-	**-**	-
Comprehensive income for the period/year							
Profit/(loss) for the period/year		**20,380**	9,038	**-**	-	**-**	-
Other comprehensive income		**-**	-	**-**	-	**-**	-
Total comprehensive income for the period/year		**20,380**	9,038	**-**	-	**-**	-
Transactions with unitholders							
Applications		**85,990**	111,534	**-**	-	**-**	-
Redemptions		**(65,384)**	(62,611)	**-**	-	**-**	-
Units issued upon reinvestment of distributions		**191**	77	**-**	-	**-**	-
Distributions paid and payable	9	**(2,145)**	(1,284)	**-**	-	**-**	-
Total transactions with unitholders		**18,652**	47,716	**-**	-	**-**	-
Total equity at the end of the financial period/year	8	**390,119**	351,087	**-**	-	**-**	-

	Notes	Vanguard Growth Index Fund		Vanguard High Growth Index Fund		Vanguard Diversified All Growth Index ETF
		30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**For the period to 30 Jun 2025**
		$'000	$'000	**$'000**	$'000	**$'000**
Total equity at the beginning of the financial period/year		**-**	-	**-**	-	**-**
Comprehensive income for the period/year						
Profit/(loss) for the period/year		**-**	-	**-**	-	**3,503**
Other comprehensive income		**-**	-	**-**	-	**-**
Total comprehensive income for the period/year		**-**	-	**-**	-	**3,503**
Transactions with unitholders						
Applications		**-**	-	**-**	-	**59,949**
Redemptions		**-**	-	**-**	-	**(232)**
Units issued upon reinvestment of distributions		**-**	-	**-**	-	**2**
Distributions paid and payable	9	**-**	-	**-**	-	**(864)**
Total transactions with unitholders		**-**	-	**-**	-	**58,855**
Total equity at the end of the financial period/year	8	**-**	-	**-**	-	**62,358**

The above statements of changes in equity should be read in conjunction with the accompanying notes.

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Statements of cash flows

For the period/year ended 30 June 2025

	Notes	Vanguard Diversified Bond Index Fund		Vanguard Balanced Index Fund		Vanguard Conservative Index Fund	
		30 Jun 2025 $'000	30 Jun 2024 $'000	**30 Jun 2025 $'000**	30 Jun 2024 $'000	**30 Jun 2025 $'000**	30 Jun 2024 $'000
Cash flows from operating activities							
Proceeds from sale of financial instruments at fair value through profit or loss		**20,482**	21,530	**802,621**	576,889	**270,183**	354,130
Purchases of financial instruments at fair value through profit or loss		**(38,457)**	(25,956)	**(752,701)**	(193,928)	**(172,060)**	(23,976)
Transaction costs on purchases of financial instruments at fair value through profit or loss		**-**	-	**(1)**	-	**-**	-
Interest received		**10**	15	**403**	414	**131**	129
Other income received		**-**	-	**49**	78	**16**	29
Responsible Entity's fees paid		**(242)**	(215)	**(5,928)**	(5,330)	**(2,131)**	(2,086)
Other operating expenses paid		**(3)**	(2)	**(16)**	(6)	**(5)**	(3)
Net cash inflow/(outflow) from operating activities	11(a)	**(18,210)**	(4,628)	**44,427**	378,117	**96,134**	328,223
Cash flows from financing activities							
Proceeds from applications by unitholders		**86,150**	67,479	**1,502,621**	1,283,582	**517,122**	399,358
Payments for redemptions by unitholders		**(65,488)**	(62,166)	**(1,274,729)**	(1,496,346)	**(529,291)**	(687,647)
Distributions paid to unitholders		**(1,886)**	(1,013)	**(247,346)**	(165,544)	**(73,358)**	(39,773)
Net cash inflow/(outflow) from financing activities		**18,776**	4,300	**(19,454)**	(378,308)	**(85,527)**	(328,062)
Net increase/(decrease) in cash and cash equivalents		**566**	(328)	**24,973**	(191)	**10,607**	161
Cash and cash equivalents at the beginning of the period/year		**209**	537	**7,913**	8,104	**2,210**	2,049
Cash and cash equivalents at the end of the period/year	10	**775**	209	**32,886**	7,913	**12,817**	2,210
Non-cash financing activities	11(b)	**191**	43,859	**31,809**	163,582	**9,669**	40,812

The above statements of cash flows should be read in conjunction with the accompanying notes.

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Statements of cash flows (continued)

For the period/year ended 30 June 2025

	Notes	Vanguard Growth Index Fund		Vanguard High Growth Index Fund		Vanguard Diversified All Growth Index ETF
		30 Jun 2025 $'000	30 Jun 2024 $'000	**30 Jun 2025 $'000**	30 Jun 2024 $'000	**For the period to 30 Jun 2025 $'000**
Cash flows from operating activities						
Proceeds from sale of financial instruments at fair value through profit or loss		**708,432**	351,257	**319,239**	260,774	**-**
Purchases of financial instruments at fair value through profit or loss		**(952,236)**	(576,544)	**(1,281,916)**	(705,357)	**(53,896)**
Interest received		**593**	550	**668**	516	**5**
Other income received		**181**	83	**386**	123	**38**
Responsible Entity's fees paid		**(8,590)**	(7,241)	**(7,673)**	(5,931)	**(4)**
Other operating expenses paid		**(28)**	(24)	**(40)**	(30)	**(2)**
Net cash inflow/(outflow) from operating activities	11(a)	**(251,648)**	(231,919)	**(969,336)**	(449,905)	**(53,859)**
Cash flows from financing activities						
Proceeds from applications by unitholders		**2,169,692**	1,755,287	**2,313,202**	1,517,645	**54,182**
Payments for redemptions by unitholders		**(1,521,843)**	(1,300,300)	**(986,949)**	(867,225)	**(232)**
Distributions paid to unitholders		**(360,215)**	(225,002)	**(348,958)**	(203,433)	**(27)**
Net cash inflow/(outflow) from financing activities		**287,634**	229,985	**977,295**	446,987	**53,923**
Net increase/(decrease) in cash and cash equivalents		**35,986**	(1,934)	**7,959**	(2,918)	**64**
Cash and cash equivalents at the beginning of the period/year		**11,768**	13,702	**12,060**	14,958	**-**
Effects of foreign currency exchange rate changes on cash and cash equivalents		**-**	-	**5**	20	**-**
Cash and cash equivalents at the end of the period/year	10	**47,754**	11,768	**20,024**	12,060	**64**
Non-cash financing activities	11(b)	**77,481**	308,591	**100,105**	416,095	**2**

The above statements of cash flows should be read in conjunction with the accompanying notes.

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Notes to the financial statements

For the period/year ended 30 June 2025

1 General information

These financial statements cover the Vanguard Diversified Funds and ETFs (the "Funds") as registered managed investment schemes. The respective constitution dates are as follows:

- Vanguard Diversified Bond Index Fund 17 December 2010
- Vanguard Balanced Index Fund 30 July 2002
- Vanguard Conservative Index Fund 30 July 2002
- Vanguard Growth Index Fund 30 July 2002
- Vanguard High Growth Index Fund 30 July 2002
- Vanguard Diversified All Growth Index ETF 23 October 2024

The Responsible Entity of the Vanguard Diversified Funds and ETFs is Vanguard Investments Australia Ltd (the "Responsible Entity"). The Responsible Entity's registered office is Level 13, 130 Lonsdale Street, Melbourne VIC 3000.

The Funds invest in accordance with the investment policy of the Funds as set out in their respective Product Disclosure Statements (PDSs) and in accordance with the Funds' Constitution. The Funds predominantly invest in the Vanguard Wholesale and/or ETF Funds (Vanguard Funds), a group of listed and unlisted unit trusts which are also managed by the Responsible Entity. During the period/year, the PDSs of Vanguard Balanced Index Fund, Vanguard Conservative Index Fund, Vanguard Growth Index Fund and Vanguard High Growth Index Fund were updated to enable these Funds to invest in the Vanguard ETF share class of the selected strategies alongside the Vanguard Wholesale share class, commencing from 1 July 2024 onwards as communicated to unitholders in the notice dated 28 June 2024.

Vanguard Diversified All Growth Index ETF was registered as managed investment scheme with the Australian Securities and Investments Commission (ASIC) on 30 October 2024 and commenced operations from 4 March 2025. These financial statements are for the period 30 October 2024 to 30 June 2025.

The Funds seek to track the weighted average return of the various indices of the underlying Vanguard Funds in which they invest, in proportion to their strategic asset allocation, before taking into account fees, expenses and tax. The weights used are the strategic asset allocations to each asset class, for each individual Fund. See note 14 for details on the Funds' investments in Vanguard Funds.

The ETF Class units of the Funds operate as Exchange Traded Funds (ETFs) listed on the Australian Securities Exchange (ASX).

The financial statements were authorised for issue by the directors on 11 September 2025. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

2 Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods/years presented, unless otherwise stated in the following text.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Accounting Standards Board and the *Corporations Act 2001* in Australia. The Funds are for-profit unit trusts for the purpose of preparing the financial statements.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The balance sheet is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All material balances are expected to be recovered or settled within 12 months, except for investments in financial assets at fair value through profit or loss and net assets attributable to unitholders. The amount expected to be recovered or settled within 12 months after the end of each reporting period cannot be reliably determined.

The Funds manage financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such it is expected that a portion of the portfolio will be realised within 12 months, however, an estimate of that amount cannot be determined as at balance date.

In the case of net assets attributable to unitholders, the units are redeemed on demand at the unitholder's option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within 12 months cannot be reliably determined.

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

2 Summary of material accounting policies (continued)

(a) Basis of preparation (continued)

(i) Compliance with International Financial Reporting Standards

The financial statements of the Funds also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

(ii) New accounting standards, amendments or interpretations adopted by the Funds

A number of amendments to standards and interpretations are effective for annual periods beginning after 1 July 2024. The amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the Funds current or future periods.

(iii) New accounting standards, amendments or interpretations not yet adopted by the Funds

Certain new accounting standards, amendments or interpretations to accounting standards have been published that are not mandatory for the period/year ended 30 June 2025 and have not been early adopted by the Funds. The new standard and amendment applicable to the Funds and its assessment is as follows:

- *Amendments to the Classification and Measurement of Financial Instruments* – Amendments to AASB 9 and AASB 7 (effective for annual periods beginning on or after 1 January 2026)

The AASB issued targeted amendments to AASB 9 and AASB 7 to respond to recent questions arising in practice, and to include new requirements for all reporting entities. Among other amendments, the AASB clarified the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.

- AASB 18 *Presentation and Disclosure in Financial Statements* (effective for annual periods beginning on or after 1 January 2027)

The AASB issued the new standard on presentation and disclosure in financial statements, which replaces AASB 101, with a focus on updates to the statement of profit or loss.

The key new concepts introduced in AASB 18 relate to:

− the structure of the statement of profit or loss with defined subtotals;

− the requirement to determine the most useful structured summary for presenting expenses in the statement of profit or loss;

− required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and

− enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Funds are currently still assessing the effect of the forthcoming standard and amendments.

No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Funds.

(b) Financial instruments

(i) Classification

The Funds classify their investments based on their business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Funds' portfolio of financial assets is managed and performance is evaluated on a fair value basis in accordance with the Funds' documented investment strategy. The Funds' policy is for the Responsible Entity to evaluate the information about these financial assets on a fair value basis together with other related financial information.

Listed unit trusts, unlisted unit trusts and derivatives are measured at fair value through profit or loss.

(ii) Recognition/derecognition

The Funds recognise financial assets and financial liabilities on the date they become party to the contractual agreement (trade date) and recognise changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments has expired or the Funds have transferred substantially all risks and rewards of ownership.

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

2 Summary of material accounting policies (continued)

(b) Financial instruments (continued)

(iii) Measurement

At initial recognition, the Funds measure financial assets and financial liabilities at fair value. Transaction costs of financial assets carried at fair value through profit and loss are expensed in the statements of comprehensive income.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within 'net gains/(losses) on financial instruments at fair value through profit or loss' in the period in which they arise. Realised gains and losses on investments transactions and unrealised gain or loss of investments are both computed on weighted average cost basis.

For further details on how the fair value of the financial instruments is determined are disclosed in note 4.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheets when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(c) Net assets attributable to unitholders

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders.

The units can be put back to the Funds for cash when permitted to do so under the applicable Fund's Constitution based on the redemption price, which is equal to a proportionate share of the Funds' net asset value attributable to the unitholders.

The units are carried at the redemption amount that is payable at balance sheet date if the holder exercises the right to put the units back to the Funds. This amount represents the expected cash flows on redemption of these units.

Units are classified as equity when they satisfy the following criteria under AASB 132 *Financial instruments: Presentation:*

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Fund's liquidation
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical
- apart from the contractual obligation to redeem the units, the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavourable conditions to the Fund, and it is not a contract settled in the Fund's own equity instruments; and
- the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss.

(d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown as a liability in the balance sheet.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Funds' main income generating activity.

(e) Margin accounts

Margin accounts comprise of cash held with brokers for derivative transactions to meet margin calls. It is not included as a component of cash and cash equivalents.

Notes to the financial statements (continued)

For the period/year ended 30 June 2025

2 Summary of material accounting policies (continued)

(f) Investment income

Distribution income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income within distribution income when the Fund's right to receive payments is established.

Other changes in fair value for such instruments are recorded in accordance with the policies described in note 2(b) to the financial statements.

(g) Expenses

All expenses, including Responsible Entity's fees and custodian fees, are recognised in the statement of comprehensive income on an accruals basis.

(h) Income tax

Under current legislation, the Funds are not subject to income tax provided they attribute the entirety of their taxable income to their unitholders.

The benefits of imputation credits and foreign tax paid are passed on to unitholders.

(i) Distributions

Distributions are payable as set out in the Funds' Product Disclosure Statement and/or Funds' Constitution. Such distributions are recognised as payable when they are determined by the Responsible Entity of the Funds.

(j) Increase/decrease in net assets attributable to unitholders

Income not distributed is included in net assets attributable to unitholders. Where the Funds' units are classified as liabilities, movements in net assets attributable to unitholders are recognised in the statement of comprehensive income as finance costs.

(k) Functional and presentation currency

(i) Functional and presentation currency

Items included in the Funds' financial statements are measured using the currency of the primary economic environment in which it operates (the 'functional currency'). This is the Australian dollar, which reflects the currency of the economy in which the Funds compete for funds and is regulated. The Australian dollar is also the Funds' presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at period/year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the statement of comprehensive income on a net basis within net gains/(losses) on financial instruments at fair value through profit or loss.

(l) Receivable/payable for securities sold/purchased

Amounts represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the period/year. Trades are recorded on trade date. These amounts are recognised initially at fair value and subsequently measured at amortised cost. Amounts are generally received within 30 days of being recorded as receivables/payables.

(m) Receivables and accrued income

Receivables and accrued income may include amounts for interest and trust distributions. Trust distributions are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment in accordance with the policy set out in note 2(f) above. Amounts are generally received within 30 days of being recorded as receivables.

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

2 Summary of material accounting policies (continued)

(n) Payables

Payables include liabilities and accrued expenses owing by the Funds which are unpaid as at the end of the reporting period.

Where the Funds have distributable income for the period as set out in the Fund's Product Disclosure Statement and/or Fund's Constitution, a separate distribution payable is recognised in the balance sheet as at the end of each reporting period where this amount remains unpaid as at the end of the reporting period.

(o) Applications and redemptions

Applications received for units in the Funds are recorded net of any entry fees payable prior to the issue of units in the Funds. Redemptions from the Funds are recorded gross of any exit fees payable after the cancellation of units redeemed.

(p) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Responsible Entity by third parties have been passed onto the Funds. The Funds qualify for Reduced Input Tax Credit recovery rate of between 55% and 75%, hence Responsible Entity's fees, custodial fees and other expenses have been recognised in the statement of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the balance sheet. Cash flows relating to GST are included in the statement of cash flows on a gross basis.

(q) Comparative revisions

Comparative information has been revised where appropriate to enhance comparability. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

Vanguard Diversified All Growth Index ETF does not have any comparative data in the financial statements and notes to the financial statements as the Fund commenced its operation from 4 March 2025.

(r) Use of estimates

The Funds make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Funds' financial instruments, quoted market prices are readily available. However, certain financial instruments, for example, over-the-counter derivatives or unquoted securities, are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For certain other financial instruments, including amounts receivable/payable for securities sold/purchased and payables, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

(s) Consolidation

The Funds meet the criteria for the investment entity exception and as such, do not prepare consolidated financial statements. Instead, the Funds investments are accounted for at fair value as disclosed in note 2(b). Further, the Funds do not control any entities where they have investments.

(t) Operating segments

The Funds with ETF class units are within the scope of AASB 8 *Operating Segments* as they satisfy the requirement, under AASB 8, of having debt or equity instruments traded in a public market or filing financial statements with a regulator for the purpose of issuing any class of instruments in a public market.

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

2 Summary of material accounting policies (continued)

(u) Rounding of amounts

The Funds are registered schemes of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, relating to the "rounding off" amounts in the financial statements. Amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise indicated.

3 Financial risk management

The Funds' activities expose them to a variety of financial risks: market risk (including price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Funds' overall risk management program focuses on ensuring compliance with the Funds' Product Disclosure Statement and seeks to maximise the returns derived for the level of risk to which the Funds are exposed. The Funds use derivative financial instruments to moderate and create certain risk exposures. Financial risk management is carried out by the investment management department of the Responsible Entity under policies approved by the Board of Directors of the Responsible Entity (the "Board").

The Funds use different methods to measure different types of risks to which they are exposed. These methods are explained on the following pages.

Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, acts of terrorism, political or regulatory conditions or other events, can adversely affect local and global markets and normal market operations. Any such disruptions could have an adverse impact on the value of the Funds' investments and Funds' performance.

(a) Market risk

(i) Price risk

The Funds are exposed to securities price risk. This arises from investments held by the Funds for which prices in the future are uncertain. Where non-monetary financial instruments are denominated in currencies other than the Australian dollar, the price in the future will also fluctuate because of changes in foreign exchange rates. Paragraph (ii) 'Foreign exchange risk' below sets out how this component of price risk is managed and measured.

In any asset sector the returns of individual securities are a combination of the market returns and returns specific to each security. By diversifying their holdings across the market, index funds are generally well protected from the specific risk of individual securities. Vanguard employs an indexing investment strategy in all asset classes in which the Funds invest.

At 30 June, the fair value of securities exposed to price risk were as follows:

	Vanguard Diversified Bond Index Fund		Vanguard Balanced Index Fund		Vanguard Conservative Index Fund	
	30 Jun 2025 $'000	30 Jun 2024 $'000	**30 Jun 2025 $'000**	30 Jun 2024 $'000	**30 Jun 2025 $'000**	30 Jun 2024 $'000
Listed unit trusts	**-**	-	**651,274**	-	**146,040**	-
Unlisted unit trusts	**386,416**	348,597	**8,176,160**	7,966,966	**2,768,776**	2,756,249
Total	**386,416**	348,597	**8,827,434**	7,966,966	**2,914,816**	2,756,249

	Vanguard Growth Index Fund		Vanguard High Growth Index Fund		Vanguard Diversified All Growth Index ETF
	30 Jun 2025 $'000	30 Jun 2024 $'000	**30 Jun 2025 $'000**	30 Jun 2024 $'000	**30 Jun 2025 $'000**
Listed unit trusts	**920,755**	-	**1,315,111**	-	**40,283**
Unlisted unit trusts	**11,632,712**	10,860,844	**10,434,746**	9,353,670	**21,699**
Total	**12,553,467**	10,860,844	**11,749,857**	9,353,670	**61,982**

The tables presented in note 3(b) summarise the impact on operating profit before finance costs attributable to unitholders and liabilities attributable to unitholders from possible changes in market prices that were reasonably based on the risk that the Funds were exposed to at reporting date.

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

3 Financial risk management (continued)

(a) Market risk (continued)

(ii) Foreign exchange risk

Foreign exchange risk arises as a result of investments in financial instruments denominated in foreign currencies. Fluctuations in the value of Australian dollar and foreign currencies can affect the returns from overseas investments, as losses or gains must be converted to Australian dollars.

The Funds have no significant direct exposure to foreign exchange risk. However, the Funds are indirectly exposed to foreign exchange risk via their investment strategy of investing in the Vanguard Funds where those Funds may have a direct foreign exchange exposure.

Of the Vanguard Funds, the Vanguard International Shares Index Fund, Vanguard Emerging Markets Shares Index Fund and Vanguard International Small Companies Index Fund do not hedge any of their exposure to foreign currencies. Accordingly, these Funds are affected by currency fluctuations.

The Vanguard International Shares Index Fund (Hedged), Vanguard Global Aggregate Bond Index Fund (Hedged) and Vanguard MSCI Index International Shares (Hedged) ETF invest on a fully hedged basis (to Australian dollars), reducing their exposure to currency risk. Foreign currency exposure is accounted for by marking to market in a manner consistent with the valuation of the underlying securities.

(iii) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

The Funds have insufficient direct exposure to interest rate risk to be material. The Funds are indirectly exposed to interest rate risk via their investment strategy of investing in the Vanguard Funds. All financial liabilities are non-interest bearing.

(b) Summarised sensitivity analysis

The following tables summarise the sensitivity of the Funds' operating profit and net assets attributable to unitholders to price risk. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates and foreign exchange rates as well as the indices that the individual Funds are designed to track. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the economies, markets and securities in which the Funds invest. As a result, historic variations in risk variables are not a definitive indicator of future variations in the risk variables.

Price risk movement represents the range of historical index returns from the average return based on the minimum suggested investment time frames indicated within the Funds' respective PDS minus one standard deviation to average return plus one standard deviation. The Funds have not made any changes to the methods used to determine its sensitivity to the market risk.

The Funds have a limited direct exposure to interest rate risk which is considered to be immaterial. The Funds do not have direct exposure to foreign exchange risk. However, the Funds have an indirect exposure to interest rate risk and foreign exchange rate risk via their investments in Vanguard Funds. No sensitivity analysis tables for interest rate risk and foreign exchange risk have been prepared on a look-through basis.

	Impact on operating profit/(loss) and net assets attributable to unitholders											
	Vanguard Diversified Bond Index Fund		Vanguard Balanced Index Fund		Vanguard Conservative Index Fund		Vanguard Growth Index Fund		Vanguard High Growth Index Fund		Vanguard Diversified All Growth Index ETF	
	Price risk		Price risk		Price risk		Price risk		Price risk		Price risk	
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
	-2%	**+1%**	**-2%**	**+3%**	**-1%**	**+2%**	**-2%**	**+3%**	**-3%**	**+4%**	**-3%**	**+5%**
30 Jun 2025	**(7,728)**	**3,864**	**(176,549)**	**264,823**	**(29,148)**	**58,296**	**(251,069)**	**376,604**	**(352,496)**	**469,994**	**(1,859)**	**3,099**
	-2%	+1%	-2%	+3%	-2%	+2%	-2%	+3%	-2%	+4%	-%	-%
30 Jun 2024	(6,972)	3,486	(159,339)	239,009	(55,125)	55,125	(217,217)	325,825	(187,073)	374,147	-	-

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

3 Financial risk management (continued)

(c) Credit risk

Credit risk is the risk that the Funds' trading counterparties become insolvent or cannot otherwise meet their obligations of the Funds in full when they fall due.

The Funds are exposed to counterparty credit risk on cash and cash equivalents, with Vanguard Balanced Index Fund, Vanguard Conservative Index Fund, Vanguard Growth Index Fund, Vanguard High Growth Index Fund and Vanguard Diversified All Growth Index ETF additionally exposed to such risk through their use of derivative financial instruments. The Funds are indirectly exposed to credit risk via their investment strategy of investing in the Vanguard Funds where those Funds may have a direct credit risk exposure.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. There were no significant concentrations of credit risk to counterparties at 30 June 2025 or 30 June 2024.

(i) Derivatives

Vanguard Balanced Index Fund, Vanguard Conservative Index Fund, Vanguard Growth Index Fund, Vanguard High Growth Index Fund and Vanguard Diversified All Growth Index ETF use exchange traded derivative instruments on a limited basis to maintain full market exposure, manage liquidity, and reduce transaction costs. All derivative transactions are conducted with counterparties that are included in the Board's approved counterparties list. The primary risks associated with the use of such derivatives instruments are imperfect correlation between changes in market values of stocks held by the Funds and the prices of the instruments, and the possibility of an illiquid market. The credit risk associated with exchange traded derivatives is reduced as the counterparty is a regulated clearing house. The clearing house is responsible for managing the risk associated with the process on behalf of their members and ensuring it has adequate resources to fulfil its obligations when they become due. To further mitigate credit risk, the Funds trades these instruments on an exchange, monitors the financial strength of its clearing brokers and clearinghouse, and has entered into clearing agreements with its clearing brokers. The clearing house imposes initial margin requirements to secure the Fund's performance and requires daily settlement of variation margin representing changes in the market value of each instrument.

In accordance with the Responsible Entity's derivatives policy, the Responsible Entity monitors the Funds' exposures on a daily basis. The derivatives policy is subject to annual review.

(ii) Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a rating of A-1 or higher short-term Standard & Poor's credit ratings (or Moody's equivalent).

(iii) Other

The Funds are not materially exposed to credit risk on other financial assets. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the financial assets.

The clearing and depository operations for the Funds' security transactions are mainly concentrated with one counterparty, namely JPM Chase Bank, N.A., Sydney Branch. JPM Chase Bank, N.A., Sydney Branch, is a member of a major securities exchange, and at 30 June 2025 had a credit rating of A-1+ (30 June 2024: A-1). At 30 June 2025, substantially all cash and cash equivalents and investments are held in custody by JPM Chase Bank, N.A., Sydney Branch.

(d) Liquidity risk

Liquidity risk is the risk that the Funds may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Funds' financial instruments are predominantly investments in the Vanguard Wholesale and/or ETF Funds (Vanguard Funds), a group of listed and unlisted unit trusts which are also managed by the Responsible Entity, and derivative contracts traded over-the-counter and on an exchange. The Vanguard Funds' financial instruments include investments in equity investments, fixed interest securities and derivative contracts traded over-the-counter. The Vanguard Funds' listed securities are considered to be readily realisable as they are all listed on major stock exchanges. The Vanguard Funds may use futures to gain market exposure without investing directly in the securities. This allows the Vanguard Funds to maintain liquidity without being under-invested in their respective investment policies. The derivatives are not used to leverage the Vanguard Funds' portfolios.

Notes to the financial statements (continued)

For the period/year ended 30 June 2025

3 Financial risk management (continued)

(d) Liquidity risk (continued)

The tables below analyse the Funds' non-derivative financial liabilities and net settled derivative financial instruments based on their contractual maturity. The amounts in the tables are the contractual undiscounted cash flows.

Vanguard Diversified Bond Index Fund

	30 Jun 2025					30 Jun 2024				
	Less than 1 month	1-6 months	6-12 months	1-3 years	Total	Less than 1 month	1-6 months	6-12 months	1-3 years	Total
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000	$'000	$'000
Distribution payable	**452**	**-**	**-**	**-**	**452**	384	-	-	-	384
Payables	**641**	**-**	**-**	**-**	**641**	743	-	-	-	743
Total financial liabilities	**1,093**	**-**	**-**	**-**	**1,093**	1,127	-	-	-	1,127

Vanguard Balanced Index Fund

	30 Jun 2025					30 Jun 2024				
	Less than 1 month	1-6 months	6-12 months	1-3 years	Total	Less than 1 month	1-6 months	6-12 months	1-3 years	Total
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000	$'000	$'000
Distribution payable	**90,066**	**-**	**-**	**-**	**90,066**	101,401	-	-	-	101,401
Payables	**10,812**	**-**	**-**	**-**	**10,812**	14,255	-	-	-	14,255
Net assets attributable to unitholders	**8,919,640**	**-**	**-**	**-**	**8,919,640**	8,045,089	-	-	-	8,045,089
Total financial liabilities	**9,020,518**	**-**	**-**	**-**	**9,020,518**	8,160,745	-	-	-	8,160,745

Vanguard Conservative Index Fund

	30 Jun 2025					30 Jun 2024				
	Less than 1 month	1-6 months	6-12 months	1-3 years	Total	Less than 1 month	1-6 months	6-12 months	1-3 years	Total
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000	$'000	$'000
Distribution payable	**22,399**	**-**	**-**	**-**	**22,399**	28,120	-	-	-	28,120
Payables	**2,837**	**-**	**-**	**-**	**2,837**	4,735	-	-	-	4,735
Net assets attributable to unitholders	**2,941,724**	**-**	**-**	**-**	**2,941,724**	2,778,068	-	-	-	2,778,068
Total financial liabilities	**2,966,960**	**-**	**-**	**-**	**2,966,960**	2,810,923	-	-	-	2,810,923

Vanguard Growth Index Fund

	30 Jun 2025					30 Jun 2024				
	Less than 1 month	1-6 months	6-12 months	1-3 years	Total	Less than 1 month	1-6 months	6-12 months	1-3 years	Total
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000	$'000	$'000
Payable for securities purchased	**-**	**-**	**-**	**-**	**-**	5,666	-	-	-	5,666
Distribution payable	**149,380**	**-**	**-**	**-**	**149,380**	154,995	-	-	-	154,995
Payables	**16,692**	**-**	**-**	**-**	**16,692**	9,858	-	-	-	9,858
Net assets attributable to unitholders	**12,687,934**	**-**	**-**	**-**	**12,687,934**	10,973,189	-	-	-	10,973,189
Total financial liabilities	**12,854,006**	**-**	**-**	**-**	**12,854,006**	11,143,708	-	-	-	11,143,708

Vanguard High Growth Index Fund

	30 Jun 2025					30 Jun 2024				
	Less than 1 month	1-6 months	6-12 months	1-3 years	Total	Less than 1 month	1-6 months	6-12 months	1-3 years	Total
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000	$'000	$'000
Payable for securities purchased	**-**	**-**	**-**	**-**	**-**	6,587	-	-	-	6,587
Distribution payable	**192,698**	**-**	**-**	**-**	**192,698**	157,745	-	-	-	157,745
Payables	**7,773**	**-**	**-**	**-**	**7,773**	5,968	-	-	-	5,968
Net assets attributable to unitholders	**11,862,038**	**-**	**-**	**-**	**11,862,038**	9,454,863	-	-	-	9,454,863
Total financial liabilities	**12,062,509**	**-**	**-**	**-**	**12,062,509**	9,625,163	-	-	-	9,625,163

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

3 Financial risk management (continued)

(d) Liquidity risk (continued)

	Vanguard Diversified All Growth Index ETF				
	30 Jun 2025				
	Less than 1 month	1-6 months	6-12 months	1-3 years	Total
	$'000	$'000	$'000	$'000	$'000
Payable for securities purchased	4,955	-	-	-	4,955
Distribution payable	835	-	-	-	835
Payables	4	-	-	-	4
Total financial liabilities	5,794	-	-	-	5,794

4 Fair value measurement

The Funds measure and recognise the following assets and liabilities at fair value on a recurring basis:

- Financial assets / liabilities at fair value through profit or loss (FVPL) (see note 6)
- Derivative financial instruments (see note 7)

The Funds have no assets or liabilities at fair value on a non-recurring basis in the current reporting period.

The fair value hierarchy has the following levels:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

(i) Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The Funds value their investments in accordance with the accounting policies set out in note 2(b) to the financial statements. For the majority of investments, the Funds rely on information provided by independent pricing services for the valuation of investments.

During the current reporting period, Vanguard Balanced Index Fund, Vanguard Conservative Index Fund, Vanguard Growth Index Fund, Vanguard High Growth Index Fund and Vanguard Diversified All Growth Index ETF held investments in listed unit trusts, where the appropriate quoted market price is the current bid price. The appropriate quoted market price for financial liabilities is the current asking price. When the Fund holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

(ii) Fair value in an inactive or unquoted market (level 2)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Financial assets and liabilities that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include certain over-the-counter derivatives.

During the reporting period, certain Funds held investments in unlisted unit trusts recorded at the redemption value per unit as reported by the investment managers of such funds. These redemption values are based on observable inputs which are executable prices and are therefore classified within level 2.

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

4 Fair value measurement (continued)

(iii) Fair value in an inactive or unquoted market (level 3)

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and for instruments where risk gives rise to a significant unobservable adjustment. The fair value of financial assets and liabilities is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions. The carrying amounts of the Funds' assets and liabilities at the balance sheet date approximate their fair values.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Funds would receive or pay to terminate the contract at the balance sheet date taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date. The fair value of an option contract is determined by applying the Black-Scholes option valuation model.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Funds hold. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

Recognised fair value measurements

The following tables present the Funds' financial assets and liabilities (by asset class) measured at fair value according to the fair value hierarchy at 30 June 2025 and 30 June 2024.

	Vanguard Diversified Bond Index Fund							
	30 Jun 2025				30 Jun 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	$'000	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000	$'000
Financial assets at fair value through profit or loss								
Unlisted unit trusts	**-**	**386,416**	**-**	**386,416**	-	348,597	-	348,597
Total	**-**	**386,416**	**-**	**386,416**	-	348,597	-	348,597

	Vanguard Balanced Index Fund							
	30 Jun 2025				30 Jun 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	$'000	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000	$'000
Financial assets at fair value through profit or loss								
Listed unit trusts	**651,274**	**-**	**-**	**651,274**	-	-	-	-
Unlisted unit trusts	**-**	**8,176,160**	**-**	**8,176,160**	-	7,966,966	-	7,966,966
Total	**651,274**	**8,176,160**	**-**	**8,827,434**	-	7,966,966	-	7,966,966

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

4 Fair value measurement (continued)

Recognised fair value measurements (continued)

	Vanguard Conservative Index Fund							
	30 Jun 2025				30 Jun 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	$'000	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000	$'000
Financial assets at fair value through profit or loss								
Listed unit trusts	**146,040**	**-**	**-**	**146,040**	-	-	-	-
Unlisted unit trusts	**-**	**2,768,776**	**-**	**2,768,776**	-	2,756,249	-	2,756,249
Total	**146,040**	**2,768,776**	**-**	**2,914,816**	-	2,756,249	-	2,756,249

	Vanguard Growth Index Fund							
	30 Jun 2025				30 Jun 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	$'000	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000	$'000
Financial assets at fair value through profit or loss								
Listed unit trusts	**920,755**	**-**	**-**	**920,755**	-	-	-	-
Unlisted unit trusts	**-**	**11,632,712**	**-**	**11,632,712**	-	10,860,844	-	10,860,844
Total	**920,755**	**11,632,712**	**-**	**12,553,467**	-	10,860,844	-	10,860,844

	Vanguard High Growth Index Fund							
	30 Jun 2025				30 Jun 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	$'000	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000	$'000
Financial assets at fair value through profit or loss								
Listed unit trusts	**1,315,111**	**-**	**-**	**1,315,111**	-	-	-	-
Unlisted unit trusts	**-**	**10,434,746**	**-**	**10,434,746**	-	9,353,670	-	9,353,670
Total	**1,315,111**	**10,434,746**	**-**	**11,749,857**	-	9,353,670	-	9,353,670

	Vanguard Diversified All Growth Index ETF			
	30 Jun 2025			
	Level 1	Level 2	Level 3	Total
	$'000	**$'000**	**$'000**	**$'000**
Financial assets at fair value through profit or loss				
Listed unit trusts	**40,283**	**-**	**-**	**40,283**
Unlisted unit trusts	**-**	**21,699**	**-**	**21,699**
Total	**40,283**	**21,699**	**-**	**61,982**

The Funds' policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no changes made to any of the valuation techniques applied as of 30 June 2025.

Transfers between levels

There were no transfers between the levels of the fair value hierarchy for the period/year ended 30 June 2025 (30 June 2024: Nil).

There were no transfers into and out of level 3 during the reporting period.

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

5 Net gains/(losses) on financial instruments at fair value through profit or loss

Net gains/(losses) recognised in relation to financial assets and financial liabilities at fair value through profit or loss:

	Vanguard Diversified Bond Index Fund		Vanguard Balanced Index Fund		Vanguard Conservative Index Fund	
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	$'000	$'000	**$'000**	$'000	**$'000**	$'000
Net unrealised gain/(loss) on financial instruments at fair value through profit or loss	**12,269**	4,928	**506,779**	362,065	**126,214**	93,679
Net realised gain/(loss) on financial instruments at fair value through profit or loss	**(1,995)**	(3,374)	**61,632**	67,881	**15,428**	(480)
Total net gains/(losses) on financial instruments at fair value through profit or loss	**10,274**	1,554	**568,411**	429,946	**141,642**	93,199

	Vanguard Growth Index Fund		Vanguard High Growth Index Fund		Vanguard Diversified All Growth Index ETF
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**For the period to 30 Jun 2025**
	$'000	$'000	**$'000**	$'000	**$'000**
Net unrealised gain/(loss) on financial instruments at fair value through profit or loss	**893,260**	723,163	**934,705**	794,554	**2,980**
Net realised gain/(loss) on financial instruments at fair value through profit or loss	**50,669**	60,647	**55,558**	46,224	**-**
Total net gains/(losses) on financial instruments at fair value through profit or loss	**943,929**	783,810	**990,263**	840,778	**2,980**

6 Financial assets at fair value through profit or loss

	Vanguard Diversified Bond Index Fund		Vanguard Balanced Index Fund		Vanguard Conservative Index Fund	
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	Fair value $'000	Fair value $'000	**Fair value $'000**	Fair value $'000	**Fair value $'000**	Fair value $'000
Financial assets at fair value through profit or loss						
Listed unit trusts	**-**	-	**651,274**	-	**146,040**	-
Unlisted unit trusts	**386,416**	348,597	**8,176,160**	7,966,966	**2,768,776**	2,756,249
Total financial assets at fair value through profit or loss	**386,416**	348,597	**8,827,434**	7,966,966	**2,914,816**	2,756,249
Comprising:						
Listed unit trusts						
Australian listed trusts	**-**	-	**651,274**	-	**146,040**	-
Total listed unit trusts	**-**	-	**651,274**	-	**146,040**	-
Unlisted unit trusts						
Units in Australian equity trusts	**-**	-	**1,676,676**	1,604,089	**324,311**	332,158
Units in international equity trusts	**-**	-	**2,528,727**	2,361,407	**495,445**	488,998
Units in Australian fixed interest trusts	**115,666**	104,810	**1,249,361**	1,204,944	**804,473**	776,972
Units in international fixed interest trusts	**270,750**	243,787	**2,721,396**	2,796,526	**1,144,547**	1,158,121
Total unlisted unit trusts	**386,416**	348,597	**8,176,160**	7,966,966	**2,768,776**	2,756,249
Total financial assets at fair value through profit or loss	**386,416**	348,597	**8,827,434**	7,966,966	**2,914,816**	2,756,249

Notes to the financial statements (continued)

For the period/year ended 30 June 2025

6 Financial assets at fair value through profit or loss (continued)

	Vanguard Growth Index Fund		Vanguard High Growth Index Fund		Vanguard Diversified All Growth Index ETF
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**
	Fair value $'000	Fair value $'000	**Fair value $'000**	Fair value $'000	**Fair value $'000**
Financial assets at fair value through profit or loss					
Listed unit trusts	**920,755**	-	**1,315,111**	-	**40,283**
Unlisted unit trusts	**11,632,712**	10,860,844	**10,434,746**	9,353,670	**21,699**
Total financial assets at fair value through profit or loss	**12,553,467**	10,860,844	**11,749,857**	9,353,670	**61,982**
Comprising:					
Listed unit trusts					
Australian listed trusts	**920,755**	-	**1,315,111**	-	**40,283**
Total listed unit trusts	**920,755**	-	**1,315,111**	-	**40,283**
Unlisted unit trusts					
Units in Australian equity trusts	**3,362,265**	3,074,683	**3,795,073**	3,403,903	**7,204**
Units in international equity trusts	**5,084,403**	4,507,160	**5,717,350**	5,006,756	**14,495**
Units in Australian fixed interest trusts	**1,001,906**	987,349	**280,141**	283,956	**-**
Units in international fixed interest trusts	**2,184,138**	2,291,652	**642,182**	659,055	**-**
Total unlisted unit trusts	**11,632,712**	10,860,844	**10,434,746**	9,353,670	**21,699**
Total financial assets at fair value through profit or loss	**12,553,467**	10,860,844	**11,749,857**	9,353,670	**61,982**

An overview of the risk exposures relating to financial assets at fair value through profit or loss is included in note 3.

7 Derivative financial instruments

In the normal course of business Vanguard Balanced Index Fund, Vanguard Conservative Index Fund, Vanguard Growth Index Fund, Vanguard High Growth Index Fund and Vanguard Diversified All Growth Index ETF enter into transactions in various derivative financial instruments with certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivative transactions include a wide assortment of instruments, such as forwards, futures and options. Derivatives are considered to be part of the investment process. The use of derivatives is an essential part of the Funds' portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of a Fund against a fluctuation in market values or to reduce volatility
- a substitution for trading of physical securities
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

While derivatives are used for trading purposes, they are not used to gear (leverage) a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the Funds.

Vanguard Balanced Index Fund, Vanguard Conservative Index Fund, Vanguard Growth Index Fund, Vanguard High Growth Index Fund and Vanguard Diversified All Growth Index ETF did not hold any derivative financial instruments as at 30 June 2025 (30 Jun 2024: Nil), however it held the following derivatives throughout the period/year.

Futures

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in futures contracts' values

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

7 Derivative financial instruments (continued)

Futures (continued)

are usually settled net daily with the exchange. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest rates at a future date at a specified price, established in an organised financial market.

Risk exposures and fair value measurements

Information about the Funds' exposure to credit risk and foreign exchange risk and about the methods and assumptions used in determining fair values is provided in note 3 to the financial statements. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of derivative financial instruments disclosed above.

8 Net assets attributable to unitholders

Under AASB 132 *Financial instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Funds shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions. Otherwise the financial instrument should be disclosed as a liability (refer to note 2(c)).

Each unit represents a right to an individual share in the Funds and does not extend to a right to the underlying assets of the Funds. The Vanguard Diversified Bond Index Fund and Vanguard Diversified All Growth Index ETF have no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.

Movement in number of units and net assets attributable to unitholders during the period/year were as follows:

	Vanguard Diversified Bond Index Fund			
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	No. '000	No. '000	**$'000**	$'000
Balance as at 1 July	**428,012**	365,849	**351,087**	294,333
Applications	**101,737**	139,433	**85,990**	111,534
Redemptions	**(77,433)**	(77,364)	**(65,384)**	(62,611)
Units issued upon reinvestment of distributions	**228**	94	**191**	77
Distributions paid and payable	**-**	-	**(2,145)**	(1,284)
Profit/(loss) for the year	**-**	-	**20,380**	9,038
Closing balance as at 30 June	**452,544**	428,012	**390,119**	351,087

	Vanguard Balanced Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	No. '000	No. '000	**$'000**	$'000	**No. '000**	No. '000	**$'000**	$'000
Balance as at 1 July	**5,251,638**	5,255,331	**7,424,861**	7,035,275	**11,451**	12,282	**620,228**	625,681
Applications	**971,677**	1,033,844	**1,435,897**	1,412,582	**1,235**	275	**70,113**	14,452
Redemptions	**(852,426)**	(1,050,745)	**(1,260,695)**	(1,440,040)	**(185)**	(1,130)	**(10,520)**	(58,708)
Units issued upon reinvestment of distributions	**20,433**	13,208	**29,632**	18,118	**39**	24	**2,177**	1,255
Increase/(decrease) in net assets attributable to unitholders	**-**	-	**559,355**	398,926	**-**	-	**48,592**	37,548
Closing balance as at 30 June	**5,391,322**	5,251,638	**8,189,050**	7,424,861	**12,540**	11,451	**730,590**	620,228

Notes to the financial statements (continued)

For the period/year ended 30 June 2025

8 Net assets attributable to unitholders (continued)

	Vanguard Conservative Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	No. '000	No. '000	**$'000**	$'000	**No. '000**	No. '000	**$'000**	$'000
Balance as at 1 July	**2,212,120**	2,417,593	**2,570,650**	2,703,859	**4,026**	4,250	**207,418**	208,957
Applications	**412,138**	376,692	**496,309**	428,107	**460**	145	**24,527**	7,309
Redemptions	**(436,124)**	(586,400)	**(524,749)**	(665,841)	**(50)**	(375)	**(2,633)**	(18,712)
Units issued upon reinvestment of distributions	**7,801**	4,235	**9,254**	4,816	**8**	6	**415**	293
Increase/(decrease) in net assets attributable to unitholders	**-**	-	**147,525**	99,709	**-**	-	**13,008**	9,571
Closing balance as at 30 June	**2,195,935**	2,212,120	**2,698,989**	2,570,650	**4,444**	4,026	**242,735**	207,418

	Vanguard Growth Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	No. '000	No. '000	**$'000**	$'000	**No. '000**	No. '000	**$'000**	$'000
Balance as at 1 July	**6,600,527**	6,119,511	**10,143,432**	8,713,970	**14,156**	12,769	**829,757**	692,359
Applications	**1,204,597**	1,330,842	**1,944,351**	1,946,741	**3,675**	1,381	**228,269**	77,950
Redemptions	**(914,314)**	(877,803)	**(1,480,933)**	(1,294,903)	**(760)**	(70)	**(47,621)**	(3,910)
Units issued upon reinvestment of distributions	**45,308**	27,977	**71,655**	40,972	**96**	76	**5,826**	4,235
Increase/(decrease) in net assets attributable to unitholders	**-**	-	**911,649**	736,652	**-**	-	**81,549**	59,123
Closing balance as at 30 June	**6,936,118**	6,600,527	**11,590,154**	10,143,432	**17,167**	14,156	**1,097,780**	829,757

	Vanguard High Growth Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	No. '000	No. '000	**$'000**	$'000	**No. '000**	No. '000	**$'000**	$'000
Balance as at 1 July	**3,699,551**	3,171,528	**7,119,534**	5,552,367	**36,837**	34,745	**2,335,329**	2,002,950
Applications	**918,919**	971,121	**1,872,466**	1,752,676	**6,645**	2,184	**447,882**	132,871
Redemptions	**(449,044)**	(456,527)	**(917,276)**	(834,166)	**(1,050)**	(555)	**(71,300)**	(32,754)
Units issued upon reinvestment of distributions	**28,378**	13,429	**56,421**	24,484	**668**	463	**43,684**	27,433
Increase/(decrease) in net assets attributable to unitholders	**-**	-	**732,356**	624,173	**-**	-	**242,942**	204,829
Closing balance as at 30 June	**4,197,804**	3,699,551	**8,863,501**	7,119,534	**43,100**	36,837	**2,998,537**	2,335,329

	Vanguard Diversified All Growth Index ETF	
	30 Jun 2025	**30 Jun 2025**
	No. '000	**$'000**
Applications	**1,209**	**59,949**
Redemptions	**(5)**	**(232)**
Units issued upon reinvestment of distributions	**1**	**2**
Distributions paid and payable	**-**	**(864)**
Profit/(loss) for the period	**-**	**3,503**
Closing balance as at 30 June	**1,205**	**62,358**

Capital risk management

The Funds consider their net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified either as a liability or equity. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Funds are subject to daily applications and redemptions at the discretion of unitholders.

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

8 Net assets attributable to unitholders (continued)

Capital risk management (continued)

Daily applications and redemptions are reviewed relative to the liquidity of the Funds' underlying assets on a daily basis by the Responsible Entity. Under the terms of the Funds' Constitution, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

9 Distributions to unitholders paid and payable

The distributions during the period/year were as follows:

	Vanguard Diversified Bond Index Fund			
	30 Jun 2025		30 Jun 2024	
	$'000	**CPU**	$'000	CPU
Distributions paid				
- 30 September	**385**	**0.0883**	332	0.0882
- 31 December	**757**	**0.1687**	165	0.0384
- 31 March	**551**	**0.1219**	403	0.0941
Distributions payable				
- 30 June	**452**	**0.0999**	384	0.0897
	2,145		1,284	

	Vanguard Balanced Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2025		30 Jun 2024		**30 Jun 2025**		30 Jun 2024	
	$'000	**CPU**	$'000	CPU	**$'000**	**CPU**	$'000	CPU
Distributions paid								
- 30 September	**26,096**	**0.4935**	39,110	0.7475	**2,202**	**18.9455**	3,026	24.9166
- 31 December	**51,891**	**0.9757**	22,629	0.4287	**4,495**	**37.6378**	1,421	12.3801
- 31 March	**85,532**	**1.5887**	55,444	1.0591	**7,538**	**61.3489**	2,808	24.5480
Distributions payable								
- 30 June	**83,396**	**1.5469**	94,816	1.8055	**6,670**	**52.9528**	6,585	57.2523
	246,915		211,999		**20,905**		13,840	

	Vanguard Conservative Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2025		30 Jun 2024		**30 Jun 2025**		30 Jun 2024	
	$'000	**CPU**	$'000	CPU	**$'000**	**CPU**	$'000	CPU
Distributions paid								
- 30 September	**10,442**	**0.4728**	12,925	0.5509	**782**	**18.8526**	1,004	24.2613
- 31 December	**16,072**	**0.7284**	6,093	0.2667	**1,416**	**32.2843**	479	11.7900
- 31 March	**24,290**	**1.1063**	14,003	0.6222	**1,905**	**42.6258**	646	15.8346
Distributions payable								
- 30 June	**20,700**	**0.9426**	27,169	1.2282	**1,699**	**38.0668**	951	23.4293
	71,504		60,190		**5,802**		3,080	

	Vanguard Growth Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2025		30 Jun 2024		**30 Jun 2025**		30 Jun 2024	
	$'000	**CPU**	$'000	CPU	**$'000**	**CPU**	$'000	CPU
Distributions paid								
- 30 September	**45,727**	**0.6796**	57,333	0.9236	**3,747**	**25.9607**	4,521	35.1183
- 31 December	**73,874**	**1.0915**	34,540	0.5345	**6,332**	**39.3421**	2,768	20.7403
- 31 March	**142,455**	**2.0813**	68,214	1.0490	**10,566**	**64.5659**	5,451	40.0565
Distributions payable								
- 30 June	**136,600**	**1.9694**	144,325	2.1866	**12,780**	**73.8175**	10,670	74.6113
	398,656		304,412		**33,425**		23,410	

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

9 Distributions to unitholders paid and payable (continued)

	Vanguard High Growth Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2025		30 Jun 2024		**30 Jun 2025**		30 Jun 2024	
	$'000	**CPU**	$'000	CPU	**$'000**	**CPU**	$'000	CPU
Distributions paid								
- 30 September	**42,468**	**1.1086**	44,612	1.3734	**13,169**	**36.7945**	15,265	45.2801
- 31 December	**61,696**	**1.5629**	30,222	0.8560	**20,632**	**51.4762**	10,142	28.7800
- 31 March	**114,484**	**2.8096**	51,536	1.4312	**38,869**	**93.3625**	16,316	45.7386
Distributions payable								
- 30 June	**143,290**	**3.4134**	117,955	3.1884	**49,408**	**112.4928**	39,790	105.5003
	361,938		244,325		**122,078**		81,513	

	Vanguard Diversified All Growth Index ETF	
	30 Jun 2025	
	$'000	**CPU**
Distributions paid		
- 31 March	**29**	**9.1527**
Distributions payable		
- 30 June	**835**	**69.1868**
	864	

10 Cash and cash equivalents

	Vanguard Diversified Bond Index Fund		Vanguard Balanced Index Fund		Vanguard Conservative Index Fund	
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	$'000	$'000	**$'000**	$'000	**$'000**	$'000
Domestic cash at bank	**775**	209	**32,886**	7,913	**12,817**	2,210
Total cash and cash equivalents	**775**	209	**32,886**	7,913	**12,817**	2,210

	Vanguard Growth Index Fund		Vanguard High Growth Index Fund		Vanguard Diversified All Growth Index ETF
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**
	$'000	$'000	**$'000**	$'000	**$'000**
Domestic cash at bank	**47,754**	11,768	**19,777**	11,825	**64**
Foreign cash at bank	**-**	-	**247**	235	**-**
Total cash and cash equivalents	**47,754**	11,768	**20,024**	12,060	**64**

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

11 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	Vanguard Diversified Bond Index Fund		Vanguard Balanced Index Fund		Vanguard Conservative Index Fund	
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	$'000	$'000	**$'000**	$'000	**$'000**	$'000
(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities						
Profit/(loss) for the period/year	**20,380**	9,038	**-**	-	**-**	-
Increase/(decrease) in net assets attributable to unitholders	**-**	-	**607,947**	436,474	**160,533**	109,280
Distribution to unitholders	**-**	-	**267,820**	225,839	**77,306**	63,270
Proceeds from sale of financial instruments at fair value through profit or loss	**20,482**	21,530	**802,621**	576,889	**270,183**	354,130
Purchases of financial instruments at fair value through profit or loss	**(38,457)**	(25,956)	**(752,701)**	(193,928)	**(172,060)**	(23,976)
Net (gains)/losses on financial instruments at fair value through profit or loss	**(10,274)**	(1,554)	**(568,411)**	(429,946)	**(141,642)**	(93,199)
Net change in receivables	**(1,213)**	(1,013)	**(13,193)**	(26,536)	**(4,359)**	(5,366)
Net change in payables	**2**	3	**71**	27	**11**	(6)
Distribution income reinvested	**(9,130)**	(6,676)	**(299,727)**	(210,702)	**(93,838)**	(75,910)
Net cash inflow/(outflow) from operating activities	**(18,210)**	(4,628)	**44,427**	378,117	**96,134**	328,223
(b) Non-cash financing activities						
During the period/year, the distribution payments satisfied by the issue of units under the distribution reinvestment plan	**191**	77	**31,809**	19,373	**9,669**	5,109
Non cash applications	**-**	43,782	**-**	144,209	**-**	35,703
Total non-cash financing activities	**191**	43,859	**31,809**	163,582	**9,669**	40,812

	Vanguard Growth Index Fund		Vanguard High Growth Index Fund		Vanguard Diversified All Growth Index ETF
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**For the period to 30 Jun 2025**
	$'000	$'000	**$'000**	$'000	**$'000**
(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities					
Profit/(loss) for the period/year	**-**	-	**-**	-	**3,503**
Increase/(decrease) in net assets attributable to unitholders	**993,198**	795,775	**975,298**	829,002	**-**
Distribution to unitholders	**432,081**	327,822	**484,016**	325,838	**-**
Proceeds from sale of financial instruments at fair value through profit or loss	**708,432**	351,257	**319,239**	260,774	**-**
Purchases of financial instruments at fair value through profit or loss	**(952,236)**	(576,544)	**(1,281,916)**	(705,357)	**(53,896)**
Net (gains)/losses on financial instruments at fair value through profit or loss	**(943,929)**	(783,810)	**(990,263)**	(840,778)	**(2,980)**
Net change in receivables	**(20,868)**	(50,137)	**(18,913)**	(53,984)	**(339)**
Net change in payables	**123**	102	**178**	123	**4**
Distribution income reinvested	**(468,449)**	(296,384)	**(456,975)**	(265,523)	**(151)**
Net cash inflow/(outflow) from operating activities	**(251,648)**	(231,919)	**(969,336)**	(449,905)	**(53,859)**
(b) Non-cash financing activities					
During the period/year, the distribution payments satisfied by the issue of units under the distribution reinvestment plan	**77,481**	45,207	**100,105**	51,917	**2**
Non cash applications	**-**	263,384	**-**	364,178	**-**
Total non-cash financing activities	**77,481**	308,591	**100,105**	416,095	**2**

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

12 Remuneration of auditors

The auditor's remuneration is borne by the Responsible Entity. During the period/year, the following fees were paid or payable for services provided by the auditor of the Funds.

	Vanguard Diversified Bond Index Fund		Vanguard Balanced Index Fund		Vanguard Conservative Index Fund	
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	$	$	**$**	$	**$**	$
Auditors of the Funds - PwC						
Audit and review of financial statements	**13,934**	13,215	**15,434**	13,215	**15,434**	13,215
Other assurance services						
Audit of compliance plan	**-**	4,395	**-**	4,395	**-**	4,395
Audit of compliance plan and internal controls report	**10,414**	-	**10,414**	-	**10,414**	-
Other non-audit services						
Tax compliance services	**6,626**	6,357	**6,626**	6,357	**6,626**	6,357
Total services provided by PwC	**30,974**	23,967	**32,474**	23,967	**32,474**	23,967

	Vanguard Growth Index Fund		Vanguard High Growth Index Fund		Vanguard Diversified All Growth Index ETF
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**For the period to 30 Jun 2025**
	$	$	**$**	$	**$**
Auditors of the Funds - PwC					
Audit of financial statements	**-**	-	**-**	-	**15,036**
Audit and review of financial statements	**15,434**	13,215	**15,434**	13,215	**-**
Other assurance services					
Audit of compliance plan	**-**	4,395	**-**	4,395	**5,054**
Audit of compliance plan and internal controls report	**10,414**	-	**10,414**	-	**-**
Other non-audit services					
Tax compliance services	**6,626**	6,357	**6,626**	6,357	**4,062**
Total services provided by PwC	**32,474**	23,967	**32,474**	23,967	**24,152**

13 Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factors in deciding who controls the entity, or when voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

An interest in a structured entity is any form of contractual or non-contractual involvement which creates variability in returns arising from the performance of the entity for the Funds. The Funds consider investments in unit trusts and managed funds to be structured entities. The Funds have exposures to unconsolidated structured entities through their investment activities and these have been accounted for as financial assets at fair value through profit or loss. The nature and extent of the Funds' interests in related unconsolidated structured entities are units in underlying funds and are summarised in note 14. There are no interests in unrelated unconsolidated structured entities held by the Funds as at the reporting date.

The Funds' maximum exposure to loss is restricted to the carrying value of the assets. Exposure to trading assets is managed in accordance with financial risk management practices as set out in note 3, which includes an indication of changes in risk measures compared to prior year.

During the period/year, the Funds have not provided any financial or other support to unconsolidated structured entities and have no intention of providing financial or other support to unconsolidated structured entities in the future.

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

14 Related party transactions

Responsible Entity

The Responsible Entity of the Vanguard Diversified Funds and ETFs is Vanguard Investments Australia Ltd (ABN 72 072 881 086 AFSL 227263), which is a wholly owned subsidiary of The Vanguard Group, Inc.

Key management personnel

Key management personnel includes persons who were directors of Responsible Entity at any time during the financial periods/years are as follows:

Daniel Shrimski

John Bendl (Resigned 10 January 2025)

Curt Jacques

Kim Petersen

Brian Dvorak (Appointed 26 July 2024)

Nicolas Pesciarelli (Appointed 10 January 2025)

No other person had authority and responsibility for planning, directing and controlling the activities of the Funds, directly or indirectly during the financial periods/years.

Transactions with key management personnel

Key management personnel services are provided by Vanguard Investments Australia Ltd and included in the management fees. There is no separate charge for these services. There was no compensation paid directly by the Funds to any of the key management personnel.

Key management personnel unitholdings

The key management personnel of Vanguard Investments Australia Ltd held units in the Funds for the period/year ended 30 June 2025 and 30 June 2024 as follows:

	Vanguard High Growth Index Fund						
30 Jun 2025	Number of units held opening	Number of units held closing	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
Unitholder	**Units**	**Units**	**$**	**%**	**Units**	**Units**	**$**
Daniel Shrimski and related parties	**2,452**	**4,497**	**9,497**	**0.00***	**2,045**	**-**	**351**
Kim Petersen and related parties	**3,648**	**18,929**	**39,979**	**0.00***	**15,281**	**-**	**1,341**
Curt Jacques and related parties	**172**	**-**	**-**	**0.00**	**156**	**328**	**511**

** Interest held as at 30 June 2025 was less than 0.01%*

	Vanguard High Growth Index Fund						
30 Jun 2024	Number of units held opening	Number of units held closing	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
Unitholder	Units	Units	$	%	Units	Units	$
Daniel Shrimski and related parties	762	2,452	4,722	0.00*	1,690	-	134
Kim Petersen and related parties	698	3,648	7,025	0.00*	2,951	-	200
Curt Jacques and related parties	-	172	10,910	0.00*	172	-	256

** Interest held as at 30 June 2024 was less than 0.01%*

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

14 Related party transactions (continued)

Key management personnel unitholdings (continued)

	Vanguard Diversified All Growth Index ETF						
30 Jun 2025	Number of units held opening	Number of units held closing	Fair value of investments	Interest held at period end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
Unitholder	**Units**	**Units**	**$**	**%**	**Units**	**Units**	**$**
Daniel Shrimski and related parties	**-**	**500**	**26,330**	**0.04**	**500**	**-**	**46**

Key management personnel remuneration

Key management personnel are paid by the Responsible Entity. Payments made from the Funds do not include any amounts directly attributable to key management personnel remuneration.

Key management personnel loan disclosures

The Funds have not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

Responsible Entity's fees and other transactions

During the period/year ended 30 June 2025, the Responsible Entity received an all-inclusive management fee (inclusive of GST, net of Reduced Input Tax Credit (RITC) available to the Funds) over the Funds' average net assets attributable to unitholders for the period/year as follows:

	Management costs		Management cost deducted directly from the fund		Management cost deducted from underlying funds	
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	% per annum	% per annum	**% per annum**	% per annum	**% per annum**	% per annum
Vanguard Diversified Bond Index Fund	**0.29**	0.29	**0.06**	0.06	**0.23**	0.23
Vanguard Balanced Index Fund - Wholesale Class	**0.29**	0.29	**0.07**	0.07	**0.22**	0.22
Vanguard Balanced Index Fund - ETF Class	**0.27**	0.27	**0.05**	0.05	**0.22**	0.22
Vanguard Conservative Index Fund - Wholesale Class	**0.29**	0.29	**0.07**	0.07	**0.22**	0.22
Vanguard Conservative Index Fund - ETF Class	**0.27**	0.27	**0.05**	0.05	**0.22**	0.22
Vanguard Growth Index Fund - Wholesale Class	**0.29**	0.29	**0.07**	0.07	**0.22**	0.22
Vanguard Growth Index Fund - ETF Class	**0.27**	0.27	**0.05**	0.05	**0.22**	0.22
Vanguard High Growth Index Fund - Wholesale Class	**0.29**	0.29	**0.08**	0.08	**0.21**	0.21
Vanguard High Growth Index Fund - ETF Class	**0.27**	0.27	**0.06**	0.06	**0.21**	0.21
Vanguard Diversified All Growth Index ETF	**0.27**	-	**0.09**	-	**0.18**	-

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

14 Related party transactions (continued)

Responsible Entity's fees and other transactions (continued)

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the period/year and amounts payable at period/year end between the Funds and the Responsible Entity are as follows:

	Vanguard Diversified Bond Index Fund		Vanguard Balanced Index Fund		Vanguard Conservative Index Fund	
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	$	$	**$**	$	**$**	$
Responsible Entity's fees for the period/year	**244,320**	218,390	**5,999,308**	5,356,790	**2,142,294**	2,080,161
Fees earned by the Responsible Entity in respect of investments by the Funds in other schemes managed by the Responsible Entity*	**820,505**	734,880	**18,181,563**	16,890,276	**5,999,452**	5,938,791
Total fees payable to the Responsible Entity at period/year end	**20,738**	18,762	**525,929**	455,207	**181,420**	169,684

* *Where monies are invested into other Funds managed by the Responsible Entity, the Responsible Entity fee is calculated taking into account the fees charged in the underlying Funds.*

	Vanguard Growth Index Fund		Vanguard High Growth Index Fund		Vanguard Diversified All Growth Index ETF
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**For the period to 30 Jun 2025**
	$	$	**$**	$	**$**
Responsible Entity's fees for the period/year	**8,713,388**	7,342,521	**7,850,848**	6,054,292	**7,938**
Fees earned by the Responsible Entity in respect of investments by the Funds in other schemes managed by the Responsible Entity*	**25,067,542**	21,645,601	**22,199,883**	17,839,012	**16,542**
Total fees payable to the Responsible Entity at period/year end	**776,592**	653,244	**733,510**	554,622	**3,585**

* *Where monies are invested into other Funds managed by the Responsible Entity, the Responsible Entity fee is calculated taking into account the fees charged in the underlying Funds.*

Related party unitholdings

Vanguard Investments Australia Ltd did not hold any units in the Funds during the period/year.

Parties related to the Funds including the Responsible Entity, its affiliates or other schemes managed by the Responsible Entity did not hold any units in the Funds during the period/year.

Investments

The Funds held investments in the following schemes which were also managed by the Responsible Entity or its related parties and information about the Funds' interests in unconsolidated structured entities is included in the following tables. The fair values of a Fund's investments in each of its underlying funds represent the Fund's maximum exposure in these underlying funds.

	Vanguard Diversified Bond Index Fund						
30 Jun 2025	Fair value of investments	Country of Establishment and Principal Place of Business	Interest held	Distributions received/ receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	$		**%**	**$**	**Units**	**Units**	**$**
Vanguard Australian Fixed Interest Index Fund	**115,665,880**	**Australia**	**1.95**	**3,414,413**	**13,819,394**	**7,138,775**	**1,324,299**
Vanguard Global Aggregate Bond Index Fund (Hedged)	**270,749,729**	**Australia**	**3.56**	**6,927,970**	**39,714,947**	**14,998,844**	**2,382,338**
	386,415,609			**10,342,383**	**53,534,341**	**22,137,619**	**3,706,637**

Notes to the financial statements (continued)

For the period/year ended 30 June 2025

14 Related party transactions (continued)

Investments (continued)

			Vanguard Diversified Bond Index Fund				
30 Jun 2024	Fair value of investments	Country of Establishment and Principal Place of Business	Interest held	Distributions received/ receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	$		%	$	Units	Units	$
Vanguard Australian Fixed Interest Index Fund	104,810,048	Australia	1.77	2,591,774	22,576,518	6,745,390	952,618
Vanguard Global Aggregate Bond Index Fund (Hedged)	243,786,636	Australia	3.21	5,097,552	66,779,291	18,635,117	1,541,018
	348,596,684			7,689,326	89,355,809	25,380,507	2,493,636

			Vanguard Balanced Index Fund				
30 Jun 2025	Fair value of investments	Country of Establishment and Principal Place of Business	Interest held	Distributions received/ receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	$		**%**	**$**	**Units**	**Units**	**$**
Vanguard Australian Fixed Interest Index Fund - Wholesale Class	**1,249,361,490**	**Australia**	**21.06**	**37,184,330**	**32,488,558**	**31,157,906**	**14,304,374**
Vanguard Australian Fixed Interest Index Fund - ETF Class	**54,008,020**	**Australia**	**1.96**	**895,866**	**1,375,540**	**225,944**	**-**
Vanguard International Small Companies Index Fund - Wholesale Class	**306,431,518**	**Australia**	**13.12**	**13,338,252**	**5,258,231**	**7,143,012**	**7,251,897**
Vanguard International Small Companies Index Fund - ETF Class	**1,686,842**	**Australia**	**0.28**	**32,243**	**24,198**	**-**	**-**
Vanguard Australian Shares Index Fund - Wholesale Class	**1,676,676,156**	**Australia**	**7.18**	**54,572,153**	**20,087,261**	**49,746,844**	**10,060,749**
Vanguard Australian Shares Index Fund - ETF Class	**115,341,145**	**Australia**	**0.55**	**963,262**	**1,336,623**	**252,182**	**-**
Vanguard International Shares Index Fund - Wholesale Class	**1,239,854,605**	**Australia**	**4.37**	**50,196,749**	**15,926,599**	**31,411,549**	**14,783,813**
Vanguard International Shares Index Fund - ETF Class	**55,494,082**	**Australia**	**0.47**	**231,832**	**582,497**	**194,019**	**-**
Vanguard Emerging Markets Shares Index Fund	**279,777,077**	**Australia**	**12.15**	**6,334,925**	**2,428,758**	**392,927**	**2,663,149**
Vanguard International Shares Index Fund (Hedged) - AUD Class	**702,663,357**	**Australia**	**6.86**	**73,598,007**	**59,511,657**	**73,588,663**	**28,912,559**
Vanguard Global Aggregate Bond Index Fund (Hedged) - Wholesale Class	**2,721,396,284**	**Australia**	**35.81**	**72,610,058**	**86,202,360**	**262,906,820**	**23,945,681**
Vanguard Global Aggregate Bond Index Fund (Hedged) - ETF Class	**334,124,185**	**Australia**	**10.72**	**2,587,222**	**9,802,423**	**1,925,851**	**-**
Vanguard MSCI Index International Shares (Hedged) ETF	**90,619,599**	**Australia**	**1.77**	**364,116**	**810,696**	**-**	**-**
	8,827,434,360			**312,909,015**	**235,835,401**	**458,945,717**	**101,922,222**

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

14 Related party transactions (continued)

Investments (continued)

Vanguard Balanced Index Fund

30 Jun 2024	Fair value of investments	Country of Establishment and Principal Place of Business	Interest held	Distributions received/ receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	$		%	$	Units	Units	$
Vanguard Australian Fixed Interest Index Fund	1,204,943,975	Australia	20.36	29,773,676	95,507,986	23,671,362	10,951,727
Vanguard International Small Companies Index Fund	278,280,129	Australia	14.31	8,811,643	7,146,713	14,875,863	4,178,881
Vanguard Australian Shares Index Fund	1,604,089,037	Australia	7.90	58,544,972	39,557,946	48,656,966	10,983,640
Vanguard International Shares Index Fund	1,141,084,352	Australia	4.50	54,107,464	26,822,277	59,839,032	21,412,601
Vanguard Emerging Markets Shares Index Fund	240,081,956	Australia	11.83	5,455,285	4,840,650	13,191,509	1,834,474
Vanguard International Shares Index Fund (Hedged) - AUD Class	701,960,753	Australia	7.35	21,701,014	17,545,670	114,044,947	21,701,014
Vanguard Global Aggregate Bond Index Fund (Hedged)	2,796,525,536	Australia	36.81	58,840,860	286,626,302	117,967,313	17,677,325
	7,966,965,738			237,234,914	478,047,544	392,246,992	88,739,662

Vanguard Conservative Index Fund

30 Jun 2025	Fair value of investments	Country of Establishment and Principal Place of Business	Interest held	Distributions received/ receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	$		**%**	**$**	**Units**	**Units**	**$**
Vanguard Australian Fixed Interest Index Fund - Wholesale Class	**510,757,419**	**Australia**	**8.61**	**15,290,338**	**13,422,955**	**19,077,202**	**5,847,839**
Vanguard Australian Fixed Interest Index Fund - ETF Class	**7,700,680**	**Australia**	**0.28**	**176,991**	**268,154**	**104,240**	**-**
Vanguard International Small Companies Index Fund - Wholesale Class	**56,266,451**	**Australia**	**2.41**	**2,469,318**	**1,005,648**	**3,355,374**	**1,331,581**
Vanguard International Small Companies Index Fund - ETF Class	**3,615,509**	**Australia**	**0.59**	**38,141**	**51,865**	**-**	**-**
Vanguard Australian Shares Index Fund - Wholesale Class	**324,311,073**	**Australia**	**1.39**	**10,872,290**	**4,054,379**	**17,997,796**	**1,946,000**
Vanguard Australian Shares Index Fund - ETF Class	**29,981,182**	**Australia**	**0.14**	**268,632**	**281,884**	**-**	**-**
Vanguard International Shares Index Fund - Wholesale Class	**233,828,252**	**Australia**	**0.82**	**9,576,804**	**3,120,932**	**10,690,983**	**2,788,128**
Vanguard International Shares Index Fund - ETF Class	**17,745,255**	**Australia**	**0.15**	**126,893**	**124,223**	**-**	**-**
Vanguard Emerging Markets Shares Index Fund	**62,234,296**	**Australia**	**2.70**	**1,439,278**	**1,163,570**	**1,554,217**	**592,397**
Vanguard International Shares Index Fund (Hedged) - AUD Class	**143,116,075**	**Australia**	**1.40**	**14,864,303**	**12,151,174**	**19,577,929**	**5,888,811**
Vanguard Global Aggregate Bond Index Fund (Hedged) - Wholesale Class	**1,144,546,513**	**Australia**	**15.06**	**30,322,134**	**35,753,905**	**87,933,808**	**10,070,913**
Vanguard Global Aggregate Bond Index Fund (Hedged) - ETF Class	**69,285,774**	**Australia**	**2.22**	**539,728**	**2,136,337**	**503,009**	**-**
Vanguard Cash Reserve Fund	**293,715,784**	**Australia**	**38.07**	**12,132,885**	**20,044,019**	**4,676,813**	**776,541**
Vanguard MSCI Index International Shares (Hedged) ETF	**17,711,765**	**Australia**	**0.35**	**77,568**	**158,452**	**-**	**-**
	2,914,816,028			**98,195,303**	**93,737,497**	**165,471,371**	**29,242,210**

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

14 Related party transactions (continued)

Investments (continued)

	Vanguard Conservative Index Fund						
30 Jun 2024	Fair value of investments	Country of Establishment and Principal Place of Business	Interest held	Distributions received/ receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	$		%	$	Units	Units	$
Vanguard Australian Fixed Interest Index Fund	498,973,151	Australia	8.43	12,761,393	16,403,991	39,508,471	4,535,163
Vanguard International Small Companies Index Fund	54,810,296	Australia	2.82	1,774,517	1,291,857	5,353,619	823,076
Vanguard Australian Shares Index Fund	332,158,499	Australia	1.64	12,603,122	9,274,239	22,323,419	2,274,381
Vanguard International Shares Index Fund	230,873,102	Australia	0.91	11,217,609	5,133,463	20,242,251	4,332,365
Vanguard Emerging Markets Shares Index Fund	55,252,613	Australia	2.72	1,283,975	1,000,861	4,785,901	422,187
Vanguard International Shares Index Fund (Hedged) - AUD Class	148,062,394	Australia	1.55	4,577,327	2,120,511	40,456,552	4,577,327
Vanguard Global Aggregate Bond Index Fund (Hedged)	1,158,119,704	Australia	15.25	25,115,983	64,538,956	135,596,986	7,320,676
Vanguard Cash Reserve Fund	277,998,765	Australia	51.68	11,943,325	21,383,586	32,180,513	599,293
	2,756,248,524			81,277,251	121,147,464	300,447,712	24,884,468

	Vanguard Growth Index Fund						
30 Jun 2025	Fair value of investments	Country of Establishment and Principal Place of Business	Interest held	Distributions received/ receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	$		**%**	**$**	**Units**	**Units**	**$**
Vanguard Australian Fixed Interest Index Fund - Wholesale Class	**1,001,905,800**	**Australia**	**16.89**	**30,112,244**	**26,519,713**	**45,933,858**	**11,471,168**
Vanguard Australian Fixed Interest Index Fund - ETF Class	**96,404,041**	**Australia**	**3.49**	**1,187,174**	**2,052,023**	**-**	**-**
Vanguard International Small Companies Index Fund - Wholesale Class	**615,865,368**	**Australia**	**26.37**	**26,764,044**	**12,268,654**	**879,751**	**14,574,847**
Vanguard International Small Companies Index Fund - ETF Class	**19,196,391**	**Australia**	**3.15**	**362,655**	**275,375**	**-**	**-**
Vanguard Australian Shares Index Fund - Wholesale Class	**3,362,265,250**	**Australia**	**14.39**	**106,366,793**	**38,816,218**	**45,043,535**	**20,174,979**
Vanguard Australian Shares Index Fund - ETF Class	**200,478,070**	**Australia**	**0.96**	**2,057,893**	**1,884,901**	**-**	**-**
Vanguard International Shares Index Fund - Wholesale Class	**2,515,570,205**	**Australia**	**8.87**	**99,912,441**	**31,208,653**	**31,678,503**	**29,995,227**
Vanguard International Shares Index Fund - ETF Class	**81,612,491**	**Australia**	**0.70**	**876,664**	**571,316**	**-**	**-**
Vanguard Emerging Markets Shares Index Fund	**516,039,824**	**Australia**	**22.41**	**11,660,806**	**11,295,531**	**-**	**4,912,093**
Vanguard International Shares Index Fund (Hedged) - AUD Class	**1,436,927,841**	**Australia**	**14.02**	**147,377,865**	**116,243,570**	**58,437,726**	**59,125,413**
Vanguard Global Aggregate Bond Index Fund (Hedged) - Wholesale Class	**2,184,138,307**	**Australia**	**28.74**	**58,705,116**	**83,272,684**	**283,083,067**	**19,218,325**
Vanguard Global Aggregate Bond Index Fund (Hedged) - ETF Class	**403,395,620**	**Australia**	**12.94**	**3,359,253**	**10,926,747**	**1,417,185**	**-**
Vanguard MSCI Index International Shares (Hedged) ETF	**119,667,979**	**Australia**	**2.34**	**553,459**	**1,070,567**	**-**	**-**
	12,553,467,187			**489,296,407**	**336,405,952**	**466,473,625**	**159,472,052**

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

14 Related party transactions (continued)

Investments (continued)

	Vanguard Growth Index Fund						
30 Jun 2024	Fair value of investments	Country of Establishment and Principal Place of Business	Interest held	Distributions received/ receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	$		%	$	Units	Units	$
Vanguard Australian Fixed Interest Index Fund	987,348,780	Australia	16.68	23,658,416	178,407,433	11,951,761	8,974,006
Vanguard International Small Companies Index Fund	531,162,397	Australia	27.32	16,500,185	15,232,912	-	7,976,367
Vanguard Australian Shares Index Fund	3,074,683,372	Australia	15.15	107,251,591	120,789,144	13,414,922	21,053,206
Vanguard International Shares Index Fund	2,210,859,825	Australia	8.73	102,022,091	52,127,568	51,720,443	41,487,080
Vanguard Emerging Markets Shares Index Fund	426,301,446	Australia	21.01	9,079,911	12,272,783	-	3,257,384
Vanguard International Shares Index Fund (Hedged) - AUD Class	1,338,835,990	Australia	14.02	41,389,919	35,509,466	113,420,627	41,389,919
Vanguard Global Aggregate Bond Index Fund (Hedged)	2,291,651,745	Australia	30.17	46,598,510	514,587,909	69,818,956	14,485,930
	10,860,843,555			346,500,623	928,927,215	260,326,709	138,623,892

	Vanguard High Growth Index Fund						
30 Jun 2025	Fair value of investments	Country of Establishment and Principal Place of Business	Interest held	Distributions received/ receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	$		**%**	**$**	**Units**	**Units**	**$**
Vanguard Australian Fixed Interest Index Fund - Wholesale Class	**280,141,411**	**Australia**	**4.72**	**8,545,372**	**7,604,955**	**20,700,882**	**3,207,436**
Vanguard Australian Fixed Interest Index Fund - ETF Class	**74,821,992**	**Australia**	**2.71**	**663,855**	**1,592,635**	**-**	**-**
Vanguard International Small Companies Index Fund - Wholesale Class	**694,989,095**	**Australia**	**29.76**	**30,345,287**	**13,855,654**	**3,663,070**	**16,447,360**
Vanguard International Small Companies Index Fund - ETF Class	**58,425,485**	**Australia**	**9.59**	**359,098**	**838,122**	**-**	**-**
Vanguard Australian Shares Index Fund - Wholesale Class	**3,795,072,329**	**Australia**	**16.24**	**119,028,067**	**43,268,283**	**25,337,997**	**22,772,000**
Vanguard Australian Shares Index Fund - ETF Class	**469,764,467**	**Australia**	**2.26**	**5,733,710**	**4,416,740**	**-**	**-**
Vanguard International Shares Index Fund - Wholesale Class	**2,840,669,278**	**Australia**	**10.02**	**113,608,233**	**36,596,268**	**25,996,549**	**33,871,652**
Vanguard International Shares Index Fund - ETF Class	**278,774,774**	**Australia**	**2.38**	**2,780,848**	**1,951,521**	**-**	**-**
Vanguard Emerging Markets Shares Index Fund	**583,433,042**	**Australia**	**25.33**	**13,197,770**	**22,941,829**	**5,316,594**	**5,553,597**
Vanguard International Shares Index Fund (Hedged) - AUD Class	**1,598,258,899**	**Australia**	**15.60**	**161,936,291**	**127,036,465**	**47,391,555**	**65,763,718**
Vanguard Global Aggregate Bond Index Fund (Hedged) - Wholesale Class	**642,182,093**	**Australia**	**8.45**	**17,187,608**	**26,721,847**	**67,368,285**	**5,650,587**
Vanguard Global Aggregate Bond Index Fund (Hedged) - ETF Class	**188,114,035**	**Australia**	**6.04**	**1,381,039**	**4,434,560**	**-**	**-**
Vanguard MSCI Index International Shares (Hedged) ETF	**245,210,109**	**Australia**	**4.80**	**1,090,535**	**2,193,685**	**-**	**-**
	11,749,857,009			**475,857,713**	**293,452,564**	**195,774,932**	**153,266,350**

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

14 Related party transactions (continued)

Investments (continued)

			Vanguard High Growth Index Fund				
30 Jun 2024	Fair value of investments	Country of Establishment and Principal Place of Business	Interest held	Distributions received/ receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	$		%	$	Units	Units	$
Vanguard Australian Fixed Interest Index Fund	283,956,469	Australia	4.80	6,669,842	67,181,604	11,441,428	2,580,878
Vanguard International Small Companies Index Fund	604,332,201	Australia	31.08	18,089,631	47,330,960	-	9,075,145
Vanguard Australian Shares Index Fund	3,403,902,799	Australia	16.77	115,305,540	232,153,531	28,720,336	23,307,462
Vanguard International Shares Index Fund	2,459,063,975	Australia	9.71	111,164,985	88,217,085	34,132,520	46,144,665
Vanguard Emerging Markets Shares Index Fund	471,338,320	Australia	23.23	9,580,211	33,997,723	-	3,601,512
Vanguard International Shares Index Fund (Hedged) - AUD Class	1,472,021,326	Australia	15.41	45,507,324	105,219,463	79,449,567	45,507,324
Vanguard Global Aggregate Bond Index Fund (Hedged)	659,054,656	Australia	8.68	13,163,804	204,895,539	38,095,452	4,165,999
	9,353,669,746			319,481,337	778,995,905	191,839,303	134,382,985

			Vanguard Diversified All Growth Index ETF				
30 Jun 2025	Fair value of investments	Country of Establishment and Principal Place of Business	Interest held	Distributions received/ receivable	Number of units acquired	Number of units disposed	Distributions receivable unpaid
	$		**%**	**$**	**Units**	**Units**	**$**
Vanguard Australian Shares Index Fund - Wholesale Class	**7,204,654**	**Australia**	**0.03**	**45,761**	**2,456,914**	**-**	**43,231**
Vanguard Australian Shares Index Fund - ETF Class	**17,696,283**	**Australia**	**0.09**	**45,264**	**166,381**	**-**	**-**
Vanguard International Shares Index Fund (Hedged) - AUD Class	**3,456,538**	**Australia**	**0.03**	**172,417**	**3,024,358**	**-**	**142,227**
Vanguard Emerging Markets Shares Index Fund	**3,363,195**	**Australia**	**0.15**	**34,526**	**1,341,629**	**-**	**32,014**
Vanguard International Shares Index Fund - Wholesale Class	**5,200,468**	**Australia**	**0.02**	**82,074**	**1,355,029**	**-**	**62,009**
Vanguard International Shares Index Fund - ETF Class	**13,126,343**	**Australia**	**0.11**	**39,793**	**91,889**	**-**	**-**
Vanguard International Small Companies Index Fund - Wholesale Class	**2,474,701**	**Australia**	**0.11**	**63,554**	**1,197,532**	**-**	**58,565**
Vanguard International Small Companies Index Fund - ETF Class	**1,816,294**	**Australia**	**0.30**	**6,019**	**26,055**	**-**	**-**
Vanguard MSCI Index International Shares (Hedged) ETF	**7,643,964**	**Australia**	**0.15**	**-**	**68,384**	**-**	**-**
	61,982,440			**489,408**	**9,728,171**	**-**	**338,046**

Interest held represents the entity's period/year end percentage interest in the Wholesale and/or ETF class of the investee funds.

A Fund's maximum exposure to loss from its interest in investee funds is equal to the total fair value of its investments in the investee funds as there is no off-balance sheet exposure relating to any of the investee funds. Once the Fund has disposed of its shares in an investee fund, it ceases to be exposed to any risk from that investee fund.

The proportion of ownership interest is equal to the proportion of the voting power held.

The Funds did not hold any investments in Vanguard Investments Australia Ltd during the period/year.

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

14 Related party transactions (continued)

Significant related party transactions

There were no significant related party transactions during the current reporting period.

During the period/year ended 30 June 2024, the unitholders of each Vanguard Investor Fund, a group of unlisted unit trusts which were also managed by the Responsible Entity, approved the implementation of a proposal which involves unitholders exchanging their units in a Vanguard Investor Fund with units in a corresponding Vanguard Fund to be held through the Vanguard Personal Investor platform.

As a result, the statement of cash flows and the below table reflects the implementation of the proposal for Vanguard Diversified Bond Index Fund, Vanguard Balanced Index Fund, Vanguard Conservative Index Fund, Vanguard Growth Index Fund and Vanguard High Growth Index Fund and does not have any impact on the current reporting period.

Vanguard Diversified Bond Index Fund

30 Jun 2024	Fair value of investments opening	Amount of investments purchased	Amount of investments sold	Fair value of investments closing
Investments	$	$	$	$
Vanguard Index Diversified Bond Fund	-	43,782,401	43,782,401	-

Vanguard Balanced Index Fund

30 Jun 2024	Fair value of investments opening	Amount of investments purchased	Amount of investments sold	Fair value of investments closing
Investments	$	$	$	$
Vanguard LifeStrategy Balanced Fund	-	144,208,180	144,208,180	-

Vanguard Conservative Index Fund

30 Jun 2024	Fair value of investments opening	Amount of investments purchased	Amount of investments sold	Fair value of investments closing
Investments	$	$	$	$
Vanguard LifeStrategy Conservative Fund	-	35,703,025	35,703,025	-

Vanguard Growth Index Fund

30 Jun 2024	Fair value of investments opening	Amount of investments purchased	Amount of investments sold	Fair value of investments closing
Investments	$	$	$	$
Vanguard LifeStrategy Growth Fund	-	263,382,390	263,382,390	-

Vanguard High Growth Index Fund

30 Jun 2024	Fair value of investments opening	Amount of investments purchased	Amount of investments sold	Fair value of investments closing
Investments	$	$	$	$
Vanguard LifeStrategy High Growth Fund	-	364,177,109	364,177,109	-

Other transactions within the Funds

Apart from those details disclosed in this note, no directors have entered into a material contract with the Funds during the financial period/year and there were no material contracts involving directors' interests subsisting at period/year end.

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Notes to the financial statements (continued)

For the period/year ended 30 June 2025

15 Responsible Entity's fees

	Vanguard Diversified Bond Index Fund		Vanguard Balanced Index Fund				Vanguard Conservative Index Fund			
			Wholesale Class		ETF Class		Wholesale Class		ETF Class	
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Responsible Entity's fees incurred by the Funds	**244**	218	**5,649**	5,048	**350**	309	**2,014**	1,967	**128**	113
Management costs per annum	**0.29%**	0.29%	**0.29%**	0.29%	**0.27%**	0.27%	**0.29%**	0.29%	**0.27%**	0.27%

	Vanguard Growth Index Fund				Vanguard High Growth Index Fund			
	Wholesale Class		ETF Class		Wholesale Class		ETF Class	
	30 Jun 2025	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024	**30 Jun 2025**	30 Jun 2024
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Responsible Entity's fees incurred by the Funds	**8,184**	6,942	**529**	401	**6,291**	4,850	**1,560**	1,204
Management costs per annum	**0.29%**	0.29%	**0.27%**	0.27%	**0.29%**	0.29%	**0.27%**	0.27%

	Vanguard Diversified All Growth Index ETF
	For the period to 30 Jun 2025
	$'000
Responsible Entity's fees incurred by the Fund	**8***
Management costs per annum	**0.27%**

** This represents management fees charged from 1 April 2025.*

16 Operating segments

Operating segments are reported in a manner consistent with internal reporting used by the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Directors of the Responsible Entity. The Funds' investments are managed on a single portfolio basis in one operating segment, being investments in unlisted unit trusts, listed unit trusts, derivatives and cash and cash equivalents, and performance is reviewed against the Funds' investment objective.

17 Events occurring after the reporting period

There are no significant events that have occurred since balance date which would impact on the financial position of the Funds as disclosed in the balance sheets as at 30 June 2025 or on the results and cash flows of the Funds for the period/year ended on that date.

18 Contingent assets, contingent liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2025 (30 June 2024: Nil).

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Directors' declaration

In the opinion of the directors of the Responsible Entity:

(a) the financial statements and notes set out on pages 9 to 44 are in accordance with the *Corporations Act 2001*, including:

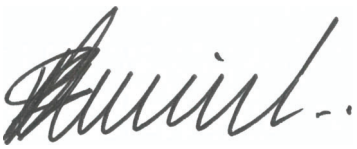
  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

  (ii) giving a true and fair view of the Funds' financial position as at 30 June 2025 and of their performance, as represented by the results of their operations for the financial period/year ended on that date.

(b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable.

(c) Note 2(a) confirms that the financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors.



Daniel Shrimski

Managing Director, Vanguard Investments Australia Ltd

Melbourne

11 September 2025

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Independent auditor's report

To the unitholders of:

- Vanguard Diversified Bond Index Fund
- Vanguard Balanced Index Fund*
- Vanguard Conservative Index Fund*
- Vanguard Growth Index Fund*
- Vanguard High Growth Index Fund*
- Vanguard Diversified All Growth Index ETF*

referred to collectively as the Vanguard Diversified Funds and ETFs

*denotes listed funds

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Vanguard Diversified Funds and ETFs (the Funds) is in accordance with the *Corporations Act 2001*, including:

a. giving a true and fair view of the Funds' financial positions as at 30 June 2025 and of their financial performance for the period/year then ended

b. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the balance sheets as at 30 June 2025
- the statements of comprehensive income for the period/year then ended
- the statements of changes in equity for the period/year then ended
- the statements of cash flows for the period/year then ended
- the notes to the financial statements, including material accounting policy information and other explanatory information
- the directors' declaration.

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Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Funds in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Funds, their accounting processes and controls and the industry in which the Funds operate.

Audit Scope

- Our audit focused on where the Funds made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- Our audit approach reflects the nature of the investments held by the Funds and the consideration of the work undertaken by third-party service providers. The key service provider relevant to our audit is the administrator who maintains the accounting records.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matter to the Audit Committee.

Key audit matter	*How our audit addressed the key audit matter*
Investments in financial assets at fair value through profit or loss ***Refer to note 2 (Summary of material accounting policies) and note 4 (Fair value measurement)*** At 30 June 2025, investments in financial assets at fair value through profit or loss comprised primarily of investments in unit trusts ("investments"). Investments in financial assets at fair value through profit or loss was a key audit matter because investments represent the principal element of the balance sheet. A discrepancy in the valuation or existence of investments could cause the net asset value to be materially misstated would also impact the Funds' reported performance as the valuation of investments is the main driver of movements in the profit of the Funds.	To assess the design and operating effectiveness of the service provider's relevant controls, we performed the following procedures, among others: • inspected the most recent reports provided to Vanguard Investments Australia Ltd (the Responsible Entity) by the service providers setting out the controls in place at those service providers, and that included an audit opinion from the service provider auditor over the design and operating effectiveness of those controls. • developed an understanding of the control objectives and associated control activities and evaluated the results of the tests undertaken and the conclusions formed by the service provider's auditor on the design and operating effectiveness of controls, to the extent relevant to our audit of the Funds. We performed the following procedures, amongst others, to assess the valuation and existence of the Funds' investments: • For investments in unlisted unit trusts, we obtained a written confirmation of the unit holdings from the unit registry and compared balances to the Funds' accounting records. • We assessed the prices used by the Funds to value unlisted unit trust investments in reference to the most recent audited financial statements to the unlisted unit trusts.

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Key audit matter	How our audit addressed the key audit matter
	• For investments in listed unit trusts, we obtained a written confirmation of the unit holdings from the unit registry and compared balances to the Funds' accounting records. • We assessed the prices used by the Funds to value listed unit trust investments by comparing the fair value to the quoted market price. Further, we assessed the reasonableness of the disclosures in the financial report against the requirements of Australian Accounting Standards.

Other information

The directors of the Responsible Entity (the directors) are responsible for the other information. The other information comprises the information included in the annual report for the period/year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of the directors for the financial report

The directors are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Funds to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Funds or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf for the listed funds and
https://auasb.gov.au/media/5fkcysek/ar5_2024.pdf for the unlisted fund. These descriptions form part of our auditor's report.

PricewaterhouseCoopers

Adrian Gut
Partner

Melbourne
11 September 2025

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