

Vanguard®

Vanguard LifeStrategy® 100% Equity MPS Classic

Quarterly report

30 June 2025



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This document is designed for use by, and is directed only at persons resident in the UK.

Market commentary

Vanguard LifeStrategy® 100% Equity MPS Classic

As at 30 June 2025

Highlights

1
UK employment weakened.

2
The European Central Bank cut its interest rate as inflation fell.

3
Tariffs weighed on US growth.

In Q2 2025, trade and policy uncertainty dominated headlines. Trade distortions caused economic activity to soften in the US but improve in the euro area and the UK. While inflation fell below target in the euro area and was benign in the US, it remained elevated in the UK. During the quarter, the European Central Bank (ECB) and the Bank of England (BoE) cut their key lending rates, while the US Federal Reserve (Fed) kept rates unchanged.

In the UK, growth expanded by 0.7% (quarter-on-quarter) in Q1, while Q2 survey data suggested the uptick was due to one-off effects. Employment showed signs of cooling, with the unemployment rate edging up. Annual headline inflation rose to 3.4% in May, up from March's 2.6%. Despite this, the BoE cut interest rates from 4.50% to 4.25% in May on economic growth concerns.

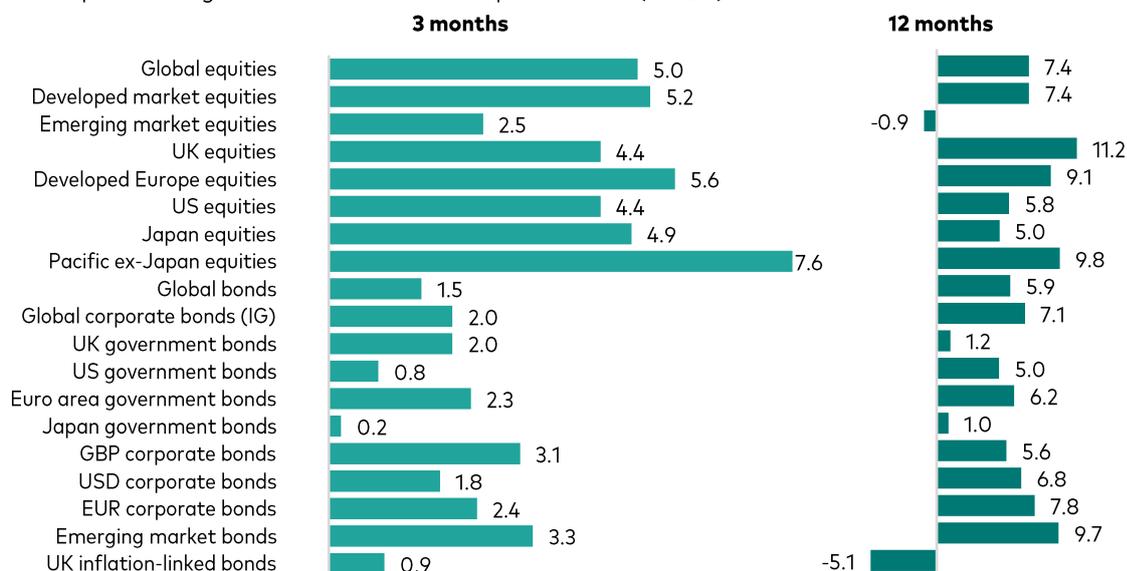
Euro area economic activity expanded by 0.6% (quarter-on-quarter) in Q1. As in the UK, the growth uptick was due to one-off trade distortions, as recent survey data pointed to a

Source: Vanguard and Bloomberg, as at 23 June 2025.

Regional market performance

Equity and bond market total returns: 3 months and 12 months to 30 June 2025 (%).

The market returns displayed here are not reflective of the underlying funds that make up LifeStrategy portfolios and are intended to provide a high-level overview of market performance (in GBP)



Past performance is not a reliable indicator of future results.

Source: Vanguard as at 30 June 2025. Total returns in GBP. Indices used: FTSE All World Net Tax TR GBP; FTSE Developed Index - Net Tax TR GBP; FTSE E/N Emerging Markets Net TRI GBP; FTSE All-Share Index Total Return; FTSE Developed Europe ex UK Net Tax GBP Index; S&P 500 GBP Net Total Return Index; MSCI Japan Net Total Return GBP Index; MSCI Pacific ex Japan Net Total Return GBP Index; Bloomberg Global Aggregate Float-Adjusted and Scaled; Bloomberg Global Agg Float Adjusted Corp TR Index Value Hedged GBP; Bloomberg GA GBP Govt Float Adj Total Return Index Value Unhedged GBP; Bloomberg GA USD Govt Float Adj Total Return Index Value Hedged GBP; Bloomberg GA EUR Govt Float Adj Total Return Index Value Hedged GBP; Bloomberg Japan Government Float Adjusted Bond TR Hedged GBP; Bloomberg Sterling Aggregate: Corporate Total Return Index Hedged GBP; Bloomberg Global Agg Corp - United States Dollar TR Index Hedged GBP; Bloomberg Euro Aggregate Corporate Total Return Index Value Hedged GBP; J.P. Morgan EMBI Global Diversified Hedged GBP; Bloomberg UK Gvt ILB Float Adjusted Total Return Index Unhedged GBP.

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Portfolio commentary

Vanguard LifeStrategy® 100% Equity MPS Classic

As at 30 June 2025

Highlights

- 1**

The LifeStrategy 100% Equity MPS Classic portfolio recorded a return of 4.63%.
- 2**

All major regional equity markets delivered healthy returns.
- 3**

US equities rebounded from a steep, tariff-led sell-off.

The LifeStrategy 100% Equity MPS Classic portfolio recorded a return of 4.63% in the second quarter of 2025.

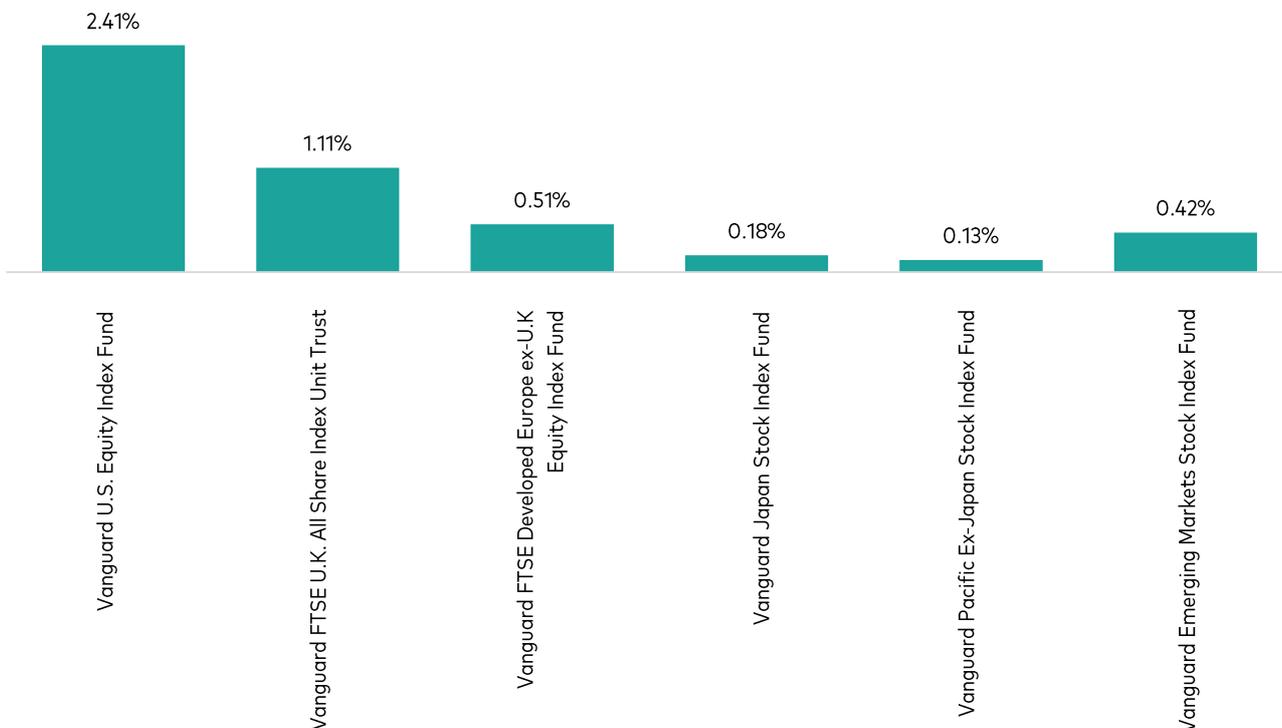
The portfolio's exposure to US and UK equities were the primary contributors to performance. The developed Europe (ex-UK) and emerging market equities holdings also contributed meaningfully, while Japan and Pacific (ex-Japan) exposures made a modest positive contribution.

US equities rebounded strongly in Q2 (in US dollar terms), recovering from a steep sell-off early in the quarter sparked by the announcement of new trade tariffs. US market confidence was buoyed by resilient economic data (especially on inflation), easing trade tensions and a robust corporate earnings season. "Magnificent Seven" technology stocks led the rally, particularly Nvidia. The US "One Big Beautiful Bill Act" tax and spending bill moved a step closer to being signed into law during Q2. Bond market concerns about the US's increasing debt burden were realised when the credit ratings agency Moody's downgraded the US sovereign credit rating. UK equities rose on improved

sentiment following better-than-expected Q1 2025 economic growth figures, new trade deals with the US, India and Europe and a cut in the Bank of England's base rate. Euro area equity markets delivered notable gains, supported by two European Central Bank interest cuts, continued positive momentum from plans to significantly boost defence spending and the postponement of US tariffs on EU goods. The softer US dollar provided broad support for emerging market equities. Korea and Taiwan, in particular, delivered strong returns after the delay in trade tariffs boosted investor sentiment in their technology sectors. The Japanese stock market rose on continued corporate governance reforms and progress in trade talk negotiations with key partners.

Performance contribution of underlying Vanguard funds in Q2 2025 (%)

Vanguard LifeStrategy 100% Equity MPS Classic



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Source: Vanguard as at 30 June 2025.

Total returns in GBP, net of fees with income reinvested. Basis of fund performance is NAV to NAV.

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Portfolio factsheet

Vanguard LifeStrategy® 100% Equity MPS Classic

As at 30 June 2025

Investment objective and policy summary

- The Vanguard LifeStrategy 100% Equity MPS Classic Model Portfolio seeks to hold investments that will increase in value through a portfolio comprising approximately 100% equities, with the UK generally forming one of the largest single country exposures for equities.

Performance

Annualised performance*

%, GBP, net of all-in fee, as at 30 June 2025

	YTD	1m	3m	6m	1yr	3yrs	5yrs	10yrs	Since inc.
LifeStrategy 100% MPS Classic	1.90	2.14	4.63	1.90	7.37	11.71	-	-	9.45

12-month return to:

%, GBP, net of all-in fee

	30 Jun 2021	30 Jun 2022	30 Jun 2023	30 Jun 2024	30 Jun 2025
LifeStrategy 100% MPS Classic	-	-	10.51	17.68	7.37

Statistics since inception

%, GBP, net of all-in fee, as at 30 June 2025

	Cumulative return	Largest annual gain [†]	Lowest annual performance [†]	Monthly volatility
LifeStrategy 100% MPS Classic	31.92	25.42	-3.02	-

Cumulative performance (since inception)

%, GBP, net of all-in fee, 06 Jun 2022 to 30 Jun 2025



Past performance is not a reliable indicator of future results.

Source: Vanguard

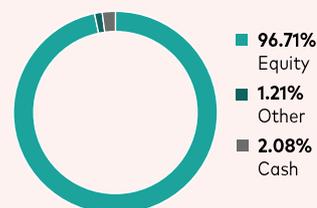
*Figures in the table above for periods less than one year are cumulative returns. All other figures represent annual returns.

Performance figures include the reinvestment of all dividends and any capital gains distributions. Basis of fund performance is NAV to NAV with gross income invested.

[†]Performance is calculated over a rolling 12-month period.

Portfolio information

Asset allocation



Portfolio facts

Number of holdings	5,993
Domicile	UK
UK Reporting Status ¹	Yes
Inception date	06/06/2022
Use of income	Accumulating

Fees

Ongoing Charges Figure (OCF ²)	0.10%
Annual portfolio charge ³	0.10%
All-in fee ⁴	0.20%

Platform availability

7IM, Abrdn Wrap, Aegon Platform, Aegon Retirement Choices, Aviva, Fidelity Adviser Solutions, Fundment, Nucleus, Quilter, Transact, Wealthtime

Risk ratings⁵

Defaqto	9
Dynamic Planner	7
EValue (1-10, 15 years)	10
Finametrica	83-100
Oxford Risk (of 5)	4
Oxford Risk (of 7)	6
Synaptic (1-5)	5.1
Synaptic (1-10)	9

¹For underlying funds.

²The OCF refers to Ongoing Charges Figures and covers the fund manager's costs of managing the fund. It does not include dealing costs or additional costs such as audit fees.

³The annual portfolio charge covers the discretionary management of the managed portfolio service, ongoing oversight, and regular rebalancing of the portfolios. The portfolio charge is exclusive of VAT and any adviser, platform, or dealing charges.

⁴All-in fee is the summation of the underlying OCFs and the model portfolio annual portfolio charge. It is not inclusive of transaction costs, nor any platform or advisory fees.

⁵Defaqto data as at June 2025; Dynamic Planner data as at Q2 2025; EValue data as at Q2 2025; FinaMetrica data as at 31 March 2025; Oxford Risk data as at 1 August 2024; Synaptic data as at Q2 2025.

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Portfolio factsheet (continued)

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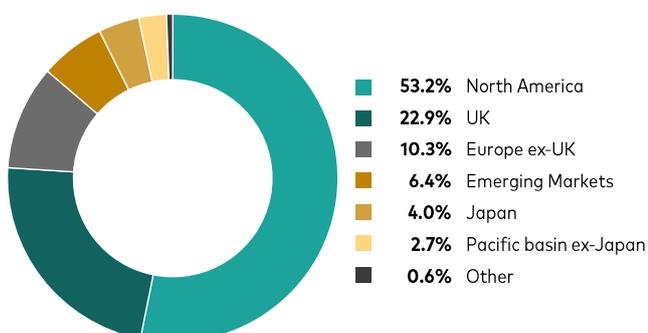
As at 30 June 2025

Breakdowns

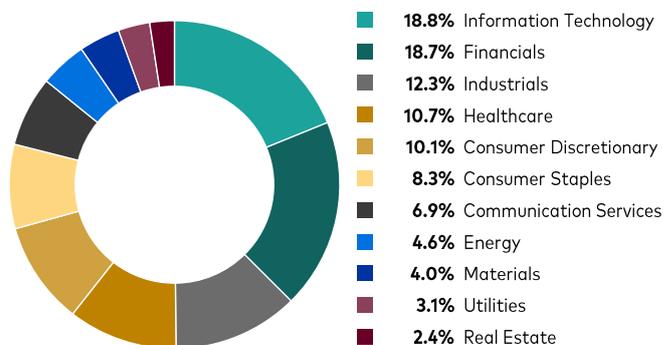
Breakdown of underlying funds

Equity allocation	(%)
Vanguard U.S. Equity Index Fund GBP Acc	51.1
Vanguard FTSE U.K. All Share Index Unit Trust GBP Acc	24.5
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund GBP Acc	9.0
Vanguard Emerging Markets Stock Index Fund GBP Acc	7.8
Vanguard Japan Stock Index Fund GBP Acc	3.8
Vanguard Pacific ex-Japan Stock Index Fund GBP Acc	1.8
Cash	2.0

Equity regional breakdown



Equity sector breakdown



Source: Vanguard (Data as of 30/06/2025)

Note: breakdown may not add up to 100% due to rounding.

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Key investment risks

The value of equities and bonds can be affected by factors such as stock market movements, interest rates, credit spreads and volatility. Other driving factors include political, economic news, company earnings and significant corporate events. Movements in currency exchange rates can adversely affect the return of your investment.

Asset-Backed Risk. Investments in asset-backed securities, which are financial instruments backed by pools of assets such as mortgages, car loans, student loans or credit card receivables. The primary risk is borrowers defaulting on their loans, leading to investments losing value.

Credit Risk. This is the risk that a borrower or counterparty will default on their financial obligations, leading to a loss for the lender or investor. It is essentially the risk of not being repaid. Creditworthiness and economic conditions influence credit risk.

Foreign Investment Risk. This includes political risk (changes in government policies or instability), currency risk (foreign currency exchange rates) and economic risk (differences in economic

conditions and policies). All these can affect the value and performance of overseas investments.

Liquidity Risk. This is the risk of not being able to convert an investment into cash without a significant loss. Because the asset is illiquid, it is difficult to sell quickly. This hinders minimizing investment loss. Liquidity risk can be influenced by market conditions and the specific nature of the investment. Examples include real estate, private assets and emerging markets.

Market Risk. This is the potential for loss from market price movements. These include changes in interest rates, stock prices, currency exchange rates and commodity prices.

Model Risk. This is the potential for errors in the model's design, incorrect inputs, or misinterpretation of results.

Specific Product Risks. These are unique risks associated with financial products or instruments, such as derivatives, which carry risk of leverage (small movements in the underlying asset can lead to large gains or losses).

Investment risk information

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

Past performance is not a reliable indicator of future results.

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

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

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

The Funds may use derivatives in order to reduce risk or cost and/or generate extra income or growth. The use of derivatives could increase or reduce exposure to underlying assets and result in greater fluctuations of the Fund's net asset value. A derivative is a financial contract whose value is based on the value of a financial asset (such as a share, bond, or currency) or a market index.

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

For further information on the model portfolio risks please see the Understanding the Risks: Vanguard LifeStrategy model portfolio solutions document at https://www.vanguard.co.uk/content/dam/intl/europe/documents/en/understanding_the_risks_mps.pdf as well as the "Risk Factors" section of the prospectus of the underlying funds on our website at <https://global.vanguard.com/>

Important information

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For further information on the investment policies and risks of the model portfolio(s), please refer to the prospectus and KIID of the underlying funds before making any final investment decisions. The KIID for each fund is available, alongside the prospectus via Vanguard's website <https://global.vanguard.com/>.

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