

## ACTIVELIFE CLIMATE AWARE FUNDS

LOW-COST ACTIVE  
MULTI-ASSET

## Quarterly update

Vanguard's ActiveLife Climate Aware funds are designed for investors who want to generate long-term growth from their investments, alongside the incorporation of ESG criteria. The names refer to the equity exposure that each fund aims to hold, with the remainder invested in fixed income securities.

## Highlights

- Global financial markets performed unevenly over the quarter.
- Developed markets, led by the US, were the strongest performers over the period.
- Growth stocks outperformed value stocks.
- All three funds underperformed their respective composite benchmarks over the quarter.
- Wellington favours undervalued, resilient global stocks and has recently found opportunities that fit this criteria outside the US, especially in Japan and the UK.

## Market overview

Global financial markets performed unevenly in the fourth quarter of 2024. US equities posted gains amid resilient economic growth and optimism about future tax cuts and deregulation. The US Federal Reserve's signalling of less enthusiasm for further interest rate cuts, though, trimmed those returns and led to a decline in bond markets. Weaker growth outside the US contributed to negative returns from many regions, notably European equities.

## Performance

The Vanguard ActiveLife Climate Aware 40-50% Equity Fund returned 0.42% (net of fees) over the quarter and underperformed its benchmark, the ActiveLife Climate Aware 40-50% Equity Composite Index<sup>1</sup> (in GBP), which returned 2.02%<sup>2</sup>.

The Vanguard ActiveLife Climate Aware 60-70% Equity Fund returned 1.38% (net of fees) over the quarter and underperformed its benchmark, the ActiveLife Climate Aware 60-70% Equity Composite Index<sup>3</sup> (in GBP), which returned 3.66%<sup>2</sup>.

The Vanguard ActiveLife Climate Aware 80-90% Equity Fund returned 2.24% (net of fees) over the quarter and underperformed its benchmark, the ActiveLife Climate Aware 80-90% Equity Composite Index<sup>4</sup> (in GBP), which returned 5.30%<sup>2</sup>.

The equity sleeve underperformed its benchmark due to an underweight allocation to the technology sector and overweight allocation to the health care sector. Positive stock selection in the industrials and energy sectors boosted returns.

The largest held equity detractors included TotalEnergies and American Tower.

The share price of TotalEnergies, a French multinational energy company, declined during the period. The company upheld its 2024 guidance for capital expenditure but missed on some profitability metrics due to higher operating costs.

The share price of American Tower, a global wireless infrastructure provider, fell following mixed third-quarter results. The company's data centre business, CoreSite, showed strong momentum and leasing activity, but the sale of its India business led to financial challenges, resulting in a net loss of \$1.2 billion.

The largest held equity contributors included EQT Corporation and Cisco Systems.

The share price of EQT Corporation, an independent natural gas producer based in the US, rose following the company's better-than-expected third-quarter 2024 earnings and increased guidance for the fourth quarter of 2024. The price and demand for natural gas were

<sup>1</sup> Composite Index comprises: 45% FTSE Developed Net Tax Index, 44% Bloomberg Global Aggregate Credit Index, 5.5% Bloomberg Global Aggregate Treasury Index and 5.5% Bloomberg Global Aggregate Securitized Index (together, the "Composite Index").

<sup>2</sup> Source: Vanguard, as at 31 December 2024. Performance is calculated net of fees, on a NAV-to-NAV basis with gross income reinvested.

<sup>3</sup> Composite Index comprises: 65% FTSE Developed Net Tax Index, 28% Bloomberg Global Aggregate Credit Index, 3.5% Bloomberg Global Aggregate Treasury Index and 3.5% Bloomberg Global Aggregate Securitized Index (together, the "Composite Index").

<sup>4</sup> Composite Index comprises: 85% FTSE Developed Net Tax Index, 12% Bloomberg Global Aggregate Credit Index, 1.5% Bloomberg Global Aggregate Treasury Index; and 1.5% Bloomberg Global Aggregate Securitized Index (together, the "Composite Index").

also bolstered by short-term colder weather forecasts and the possibility that the changing administration in the US would reverse the previous administration's pause on new liquefied natural gas facilities.

The share price of Cisco Systems, a US multinational tech conglomerate, rose after reporting strong fiscal first-quarter 2025 results. The firm's revenues came in at the high end of expectations and management raised its full-year guidance, declaring a dividend which led to increased share price targets from analysts.

The fixed income sleeve outperformed its benchmark. Security selection in investment grade credit had a positive impact on returns. Within corporate credit, security selection within industrials, financials and utilities had a positive effect on relative performance. An overweight allocation to the financials and utilities sectors boosted returns. The portfolio's credit spread duration positioning had a negative effect on returns over the period.

## Activity

Wellington initiated a position in Elevance Health, a US healthcare company. Despite current cyclical pressures in the medicare and medicaid businesses, Wellington believes Elevance Health's commercial and consumer health care plan businesses will drive future profit growth, making it an attractive investment opportunity.

Wellington trimmed its position in Home Depot, a home improvement retailer, on share price strength in order to pursue other investment opportunities that offer a more favourable risk-reward profile.

The fixed income sleeve holds a modest underweight position in global credit. This positioning reflects a small overweight in US/EUR denominated corporate debt, more than offset by an underweight allocation to highly liquid supranational and sovereign issuers. European bonds appear attractive to the team and exposure to the European bond market has grown. The team is cautious regarding emerging markets because of high valuations, risks associated with tariffs and the strength of the US dollar.

## ESG Engagement

Over the past year, Wellington has built a new position in Societe Generale, a French financial services group, leveraging the price correction amid France's snap parliamentary elections in the second quarter of 2024. The investment team expects Societe Generale to benefit from lower

European Central Bank interest rates, improving margins and earnings per share growth. Despite a history of governance issues, Wellington has observed that management is more open to feedback and acknowledges areas for improvement. Wellington has started to see positive developments in the company which align with guidance provided by the investment team, including divesting non-core assets, corporate reorganisation and appointing a new CFO, Leopoldo Alvear. Challenges remain, however, such as improving compensation transparency. The investment team is seeing progress, but there is still significant room for improvement, and Wellington will continue to engage with the company to drive further enhancements.

## Outlook

Wellington favours undervalued, resilient global stocks and has recently found opportunities that fit these criteria outside the US, especially in Japan and the UK. The investment team sees a potential market correction around tech stocks and prefers defensive sectors like consumer staples and healthcare. While sectors outside of technology, including financials and materials, may benefit from developments around artificial intelligence, the team expects more volatility in 2025.

The fixed income team maintains a modest spread advantage and ended the year neutral on duration as the market repriced substantially. Markets are driven by optimism around the US election and central banks reducing interest rates, but uncertainties remain around US policy, economic growth and inflation tradeoffs.

# Vanguard ActiveLife Climate Aware 40-50% Equity Fund

## Key fund facts (as at 31 December 2024)

**Investment manager:** Wellington Management Company LLP

**Target weighting:** Equities 45%; Bonds 55%

**Domicile:** United Kingdom

**Benchmark:** Composite Index

**Peer group:** IA Mixed Investment 20-60% Shares

**Inception date:** 8 December 2021

**Ongoing charges figure<sup>1</sup>:** 0.48%

**Fund AUM:** GBP 108m

**ISIN:** GB00BMCQRZ38

## Top 10 fund holdings (% exposure, as at 31 December 2024)

Company	%
Cisco Systems Inc	1.1
Accenture PLC	1.1
Johnson & Johnson	1.0
Alphabet Inc	1.0
Diageo PLC	1.0
Microsoft Corp	1.0
JPMorgan Chase & Co	0.9
Merck & Co Inc	0.9
Duke Energy Corp	0.9
TotalEnergies SE	0.9

## Fund performance (Cumulative % growth, GBP, 8 December 2021 to 31 December 2024)



Cumulative return (%) as at 31 December 2024	YTD	3 month	1 year	3 yr (ann.)	5 yr (ann.)	Since inception (ann.)
Fund	6.09	0.42	6.09	2.53	--	2.43
Peer group	6.18	0.06	6.18	0.82	2.43	0.73
Benchmark	10.51	2.02	10.51	3.09	5.62	2.82

12-month return (%) to:	31 Dec 2015	31 Dec 2016	31 Dec 2017	31 Dec 2018	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	31 Dec 2024
Fund	--	--	--	--	--	--	--	-5.43	7.44	6.09
Peer group	1.51	10.57	7.20	-5.11	12.08	3.49	6.31	-9.67	6.86	6.18
Benchmark	--	--	7.82	-2.10	15.20	10.19	8.89	-11.21	11.66	10.51

### Past performance is not a reliable indicator of future results.

Performance figures include the reinvestment of all dividends and any capital gains distributions. Basis of fund performance is NAV to NAV. Basis of index performance is total return. All performance is calculated in GBP, net of fees.

Benchmark is a composite index comprised of: 45% FTSE Developed Net Tax Index; 44% Bloomberg Global Aggregate Credit Index; 5.5% Bloomberg Global Aggregate Treasury Index; and 5.5% Bloomberg Global Aggregate Securitized Index.

Source: Vanguard and Morningstar. <sup>1</sup>The Ongoing Charges Figure (OCF) covers the fund manager's costs of managing the fund. It does not include dealing costs or additional costs such as audit fees.

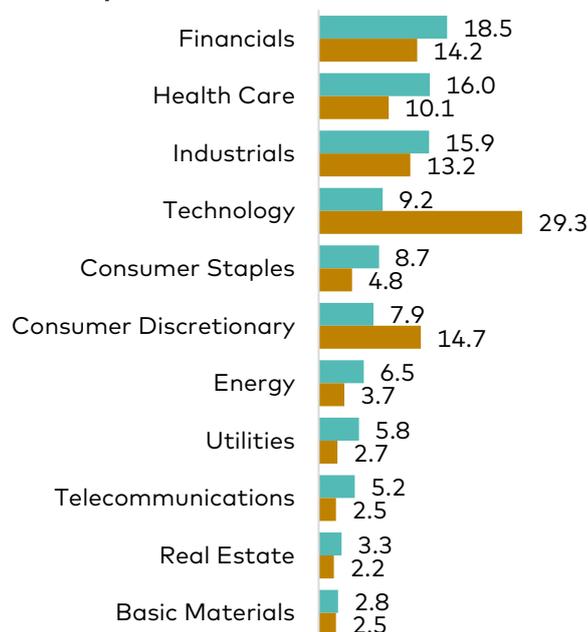
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## Vanguard ActiveLife Climate Aware 40-50% Equity Fund

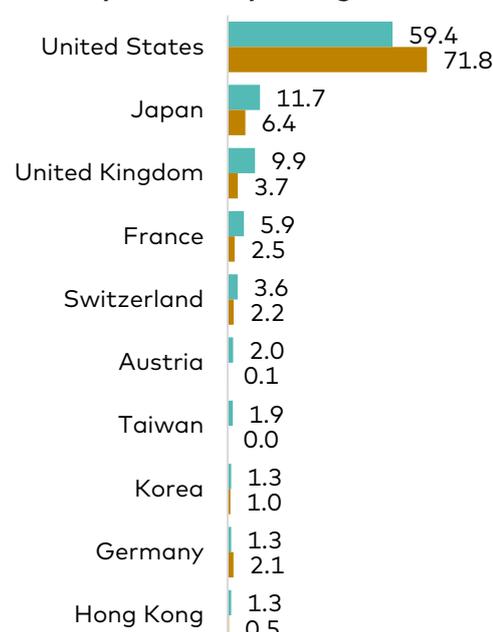
### Equity portfolio (as at 31 December 2024)

Characteristics	Fund	Benchmark
Number of stocks	82	2,016
Median market cap	£88.9B	£117.3B
PE ratio	17.3x	23.0x
Equity yield (dividend)	2.9%	1.7%

### Sector exposure (%)



### Regional exposure – top 10 regions (%)



■ Fund ■ Benchmark

### Fixed income portfolio (as at 31 December 2024)

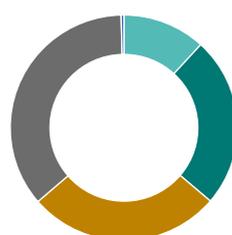
**Average coupon:** 4.2%  
**Average maturity:** 8.4 years  
**Average quality:** A

**Average duration:** 5.9 years  
**Turnover rate:** 308.7%  
**Number of bonds:** 475

### Distribution by issuer (% of bonds)

Characteristics	Fund %
Financial Institutions	29.1
Industrial	23.6
Treasury	22.6
Mortgage Backed Security Pass-through	8.9
Utility	7.9
Local Authority	1.3
Agency	1.2
Supranational	1.1
Sovereign	0.9
Asset Backed Security	0.7
Commercial Mortgage Backed Security	0.1
Other	2.5

### Distribution by credit quality (% of bonds)



AAA	11.9
AA	24.6
A	27.6
BBB	36.2
Not rated	-0.4

Credit quality ratings for each issue are obtained from Barclays using ratings derived from Moody's Investors Service, Fitch Ratings, and Standard & Poor's. When ratings from all three agencies are available, the median rating is used. When ratings are available from two of the agencies, the lower rating is used. When one rating is available, that rating is used.

Source: Vanguard, as at 31 December 2024.

Benchmark is a composite index comprised of: 45% FTSE Developed Net Tax Index; 44% Bloomberg Global Aggregate Credit Index; 5.5% Bloomberg Global Aggregate Treasury Index; and 5.5% Bloomberg Global Aggregate Securitized Index.

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# Vanguard ActiveLife Climate Aware 40-50% Equity Fund

## Performance analysis<sup>1</sup>

### Top contributors 3-month (%)

Company name	Portfolio weight	Bench weight	3-month return	Total effect
EQT Corporation	1.5	0.0	35.3	0.3
Emerson Electric Co.	1.5	0.1	21.9	0.2
Mitsubishi UFJ Financial Group Inc.	1.2	0.2	23.8	0.2
Erste Group Bank AG	1.9	0.0	20.4	0.2
Cisco Systems Inc.	2.5	0.3	20.0	0.2

### Top detractors 3-month (%)

Company name	Portfolio weight	Bench weight	3-month return	Total effect
Tesla Inc.	0.0	1.6	65.3	-0.6
NVIDIA Corporation	0.0	4.5	18.4	-0.5
Amazon.com Inc.	0.0	2.9	26.1	-0.5
Broadcom Inc.	0.0	1.5	44.2	-0.4
Apple Inc.	0.0	5.1	15.2	-0.4

### Top contributors 12-month (%)

Company name	Portfolio weight	Bench weight	12-month return	Total effect
Taiwan Semiconductor Manufacturing Company Limited	1.3	0.0	95.4	0.8
Erste Group Bank AG	1.9	0.0	64.4	0.6
American Express Company	1.0	0.2	63.2	0.5
Tokio Marine Holdings Inc.	0.2	0.1	52.4	0.4
General Motors Company	1.0	0.1	52.5	0.3

### Top detractors 12-month (%)

Company name	Portfolio weight	Bench weight	12-month return	Total effect
NVIDIA Corporation	0.0	4.5	176.1	-3.0
Arkema S.A.	0.9	0.0	-29.4	-0.8
Intel Corporation	0.2	0.1	-58.8	-0.8
TotalEnergies SE	2.0	0.2	-13.2	-0.7
Broadcom Inc.	0.0	1.5	113.4	-0.7

#### Past performance is not a reliable indicator of future results.

<sup>1</sup>Weights are as at the end of the reporting period, but the total effect is based on positions held over the full period.

The portfolio attribution data shown above is provided by FactSet based on information provided by Vanguard about the fund's daily portfolio holdings as of the market close. Because the fund buys and sells stocks throughout the trading day and not necessarily at the market close, the attribution data shown above is an estimate and may not precisely reflect actual attribution information.

Source: FactSet, as at 31 December 2024. FactSet is a holdings-based attribution tool. Portfolio transactions are valued at closing price, which may cause some slight deviations with the fund return (based on NAV).

Note: performance attribution is sourced from FactSet, therefore the portfolio weights shown may differ from those on the previous page. Benchmark is a composite index comprised of: 45% FTSE Developed Net Tax Index; 44% Bloomberg Global Aggregate Credit Index; 5.5% Bloomberg Global Aggregate Treasury Index; and 5.5% Bloomberg Global Aggregate Securitized Index.

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# Vanguard ActiveLife Climate Aware 60-70% Equity Fund

## Key fund facts (as at 31 December 2024)

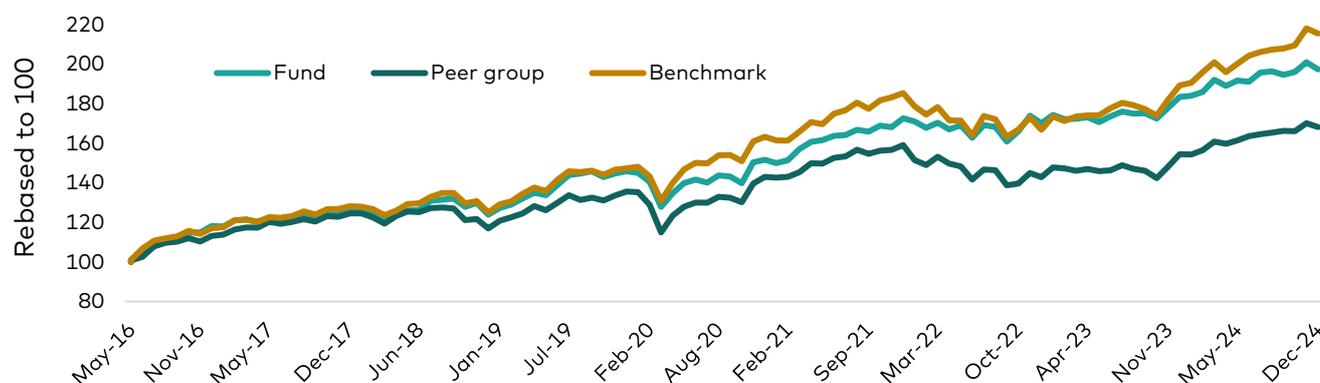
**Investment manager:** Wellington Management Company LLP  
**Target weighting:** Equities 65%; Bonds 35%  
**Domicile:** United Kingdom  
**Benchmark:** Composite Index  
**Peer group:** IA Mixed Investment 40-85% Shares

**Inception date:** 25 May 2016  
**Ongoing charges figure<sup>1</sup>:** 0.48%  
**Fund AUM:** GBP 1008m  
**ISIN:** GB00BZ830054

## Top 10 fund holdings (% exposure, as at 31 December 2024)

Company	%
Cisco Systems Inc	1.6
Accenture PLC	1.5
Johnson & Johnson	1.5
Alphabet Inc	1.5
Diageo PLC	1.4
Microsoft Corp	1.4
JPMorgan Chase & Co	1.4
Merck & Co Inc	1.4
Duke Energy Corp	1.3
TotalEnergies SE	1.3

## Fund performance (Cumulative % growth, GBP, 25 May 2016 to 31 December 2024)



Cumulative return (%) as at 31 December 2024	YTD	3 month	1 year	3 yr (ann.)	5 yr (ann.)	Since inception (ann.)
Fund	7.53	1.38	7.53	4.56	6.24	8.23
Peer group	8.88	1.16	8.88	1.87	4.40	6.23
Benchmark	13.89	3.66	13.89	5.15	7.91	9.34

12-month return (%) to:	31 Dec 2015	31 Dec 2016	31 Dec 2017	31 Dec 2018	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	31 Dec 2024
Fund	--	--	6.89	-1.91	17.69	4.03	13.81	-1.43	7.84	7.53
Peer group	2.83	13.28	10.05	-6.07	15.94	5.50	11.22	-10.18	8.10	8.88
Benchmark	--	--	9.56	-2.47	17.85	10.82	13.58	-10.02	13.44	13.89

### Past performance is not a reliable indicator of future results.

Performance figures include the reinvestment of all dividends and any capital gains distributions. Basis of fund performance is NAV to NAV. Basis of index performance is total return. All performance is calculated in GBP, net of fees. Benchmark is a composite index comprised of: 65% FTSE Developed Net Tax Index; 28% Bloomberg Global Aggregate Credit Index; 3.5% Bloomberg Global Aggregate Treasury Index; and 3.5% Bloomberg Global Aggregate Securitized Index. Source: Vanguard and Morningstar. <sup>1</sup>The Ongoing Charges Figure (OCF) covers the fund manager's costs of managing the fund. It does not include dealing costs or additional costs such as audit fees.

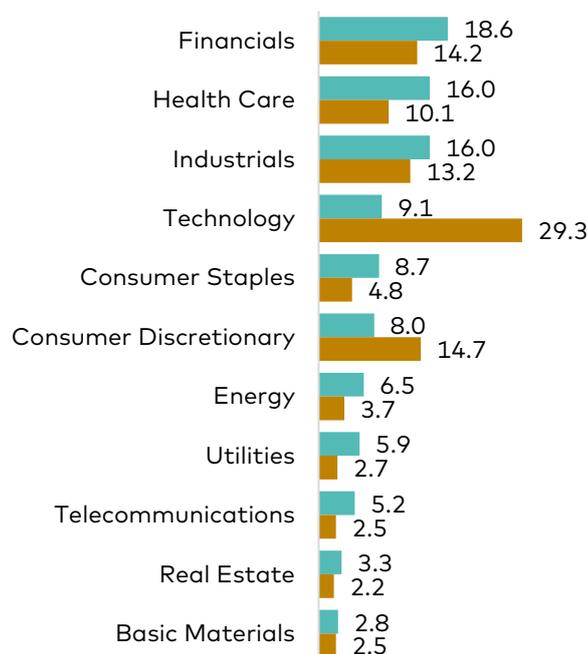
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## Vanguard ActiveLife Climate Aware 60-70% Equity Fund

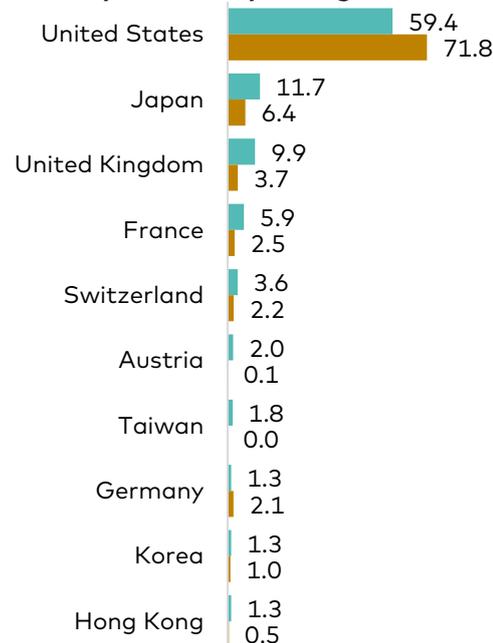
### Equity portfolio (as at 31 December 2024)

Characteristics	Fund	Benchmark
Number of stocks	80	2,016
Median market cap	£88.9B	£117.3B
PE ratio	17.3x	23.0x
Equity yield (dividend)	2.9%	1.7%

### Sector exposure (%)



### Regional exposure – top 10 regions (%)



■ Fund ■ Benchmark

### Fixed income portfolio (as at 31 December 2024)

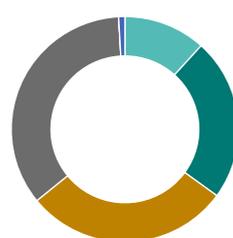
**Average coupon:** 4.2%  
**Average maturity:** 8.5 years  
**Average quality:** A

**Average duration:** 5.9 years  
**Turnover rate:** 208.0%  
**Number of bonds:** 562

### Distribution by issuer (% of bonds)

Characteristics	Fund %
Financial Institutions	30.6
Industrial	23.9
Treasury	20.4
Mortgage Backed Security Pass-through	9.5
Utility	7.4
Local Authority	1.5
Supranational	1.2
Sovereign	1.1
Agency	1.1
Asset Backed Security	0.8
Commercial Mortgage Backed Security	0.2
Other	2.4

### Distribution by credit quality (% of bonds)



AAA	11.9
AA	23.7
A	29.6
BBB	35.6
Less than BBB	0.0
Not rated	-0.9

Credit quality ratings for each issue are obtained from Barclays using ratings derived from Moody's Investors Service, Fitch Ratings, and Standard & Poor's. When ratings from all three agencies are available, the median rating is used. When ratings are available from two of the agencies, the lower rating is used. When one rating is available, that rating is used.

Source: Vanguard, as at 31 December 2024.

Benchmark is a composite index comprised of: 65% FTSE Developed Net Tax Index; 28% Bloomberg Global Aggregate Credit Index; 3.5% Bloomberg Global Aggregate Treasury Index; and 3.5% Bloomberg Global Aggregate Securitized Index.

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# Vanguard ActiveLife Climate Aware 60-70% Equity Fund

## Performance analysis<sup>1</sup>

### Top contributors 3-month (%)

Company name	Portfolio weight	Bench weight	3-month return	Total effect
Cisco Systems Inc.	2.5	0.3	20.0	0.3
EQT Corporation	1.5	0.0	35.3	0.3
Emerson Electric Co.	1.5	0.1	21.9	0.2
Mitsubishi UFJ Financial Group Inc.	1.2	0.2	23.8	0.2
Erste Group Bank AG	1.9	0.0	20.4	0.2

### Top detractors 3-month (%)

Company name	Portfolio weight	Bench weight	3-month return	Total effect
Tesla Inc.	0.0	1.6	65.3	-0.6
NVIDIA Corporation	0.0	4.5	18.4	-0.5
Amazon.com Inc.	0.0	2.9	26.1	-0.5
Broadcom Inc.	0.0	1.5	44.2	-0.4
Apple Inc.	0.0	5.1	15.2	-0.4

### Top contributors 12-month (%)

Company name	Portfolio weight	Bench weight	12-month return	Total effect
Taiwan Semiconductor Manufacturing Company Limited	1.8	0.0	75.6	0.8
Erste Group Bank AG	1.9	0.0	64.4	0.6
American Express Company	1.0	0.2	63.2	0.5
Tokio Marine Holdings Inc.	0.2	0.1	52.4	0.4
General Motors Company	1.0	0.1	52.5	0.3

### Top detractors 12-month (%)

Company name	Portfolio weight	Bench weight	12-month return	Total effect
NVIDIA Corporation	0.0	4.5	176.1	-3.0
Intel Corporation	0.2	0.1	-58.8	-0.8
Arkema S.A.	0.9	0.0	-29.4	-0.8
TotalEnergies SE	2.0	0.2	-13.2	-0.7
Samsung Electronics Co. Ltd.	1.2	0.3	-38.4	-0.7

#### Past performance is not a reliable indicator of future results.

<sup>1</sup>Weights are as at the end of the reporting period, but the total effect is based on positions held over the full period.

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# Vanguard ActiveLife Climate Aware 80-90% Equity Fund

## Key fund facts (as at 31 December 2024)

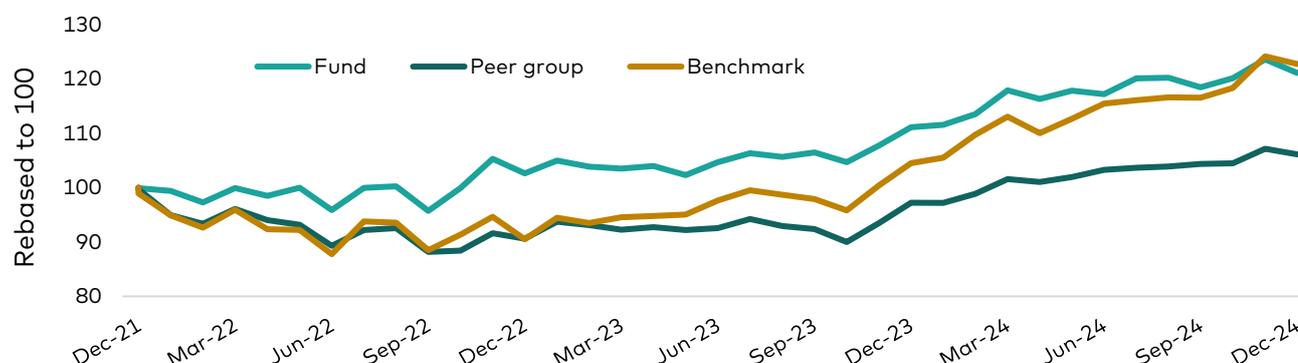
**Investment manager:** Wellington Management Company LLP  
**Target weighting:** Equities 85%; Bonds 15%  
**Domicile:** United Kingdom  
**Benchmark:** Composite Index  
**Peer group:** IA Flexible Investment

**Inception date:** 8 December 2021  
**Ongoing charges figure<sup>1</sup>:** 0.48%  
**Fund AUM:** GBP 158m  
**ISIN:** GB00BMCQS161

## Top 10 fund holdings (% exposure, as at 31 December 2024)

Company	%
Cisco Systems Inc	2.1
Accenture PLC	2.0
Johnson & Johnson	2.0
Alphabet Inc	2.0
Diageo PLC	1.8
Microsoft Corp	1.8
JPMorgan Chase & Co	1.8
Merck & Co Inc	1.8
Duke Energy Corp	1.7
TotalEnergies SE	1.7

## Fund performance (Cumulative % growth, GBP, 8 December 2021 to 31 December 2024)



Cumulative return (%) as at 31 December 2024	YTD	3 month	1 year	3 yr (ann.)	5 yr (ann.)	Since inception (ann.)
Fund	8.99	2.24	8.99	6.63	--	6.46
Peer group	9.15	1.67	9.15	2.10	4.87	1.96
Benchmark	17.44	5.30	17.44	7.46	10.56	6.93

12-month return (%) to:	31 Dec 2015	31 Dec 2016	31 Dec 2017	31 Dec 2018	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	31 Dec 2024
Fund	--	--	--	--	--	--	--	2.72	8.30	8.99
Peer group	2.09	14.16	11.09	-6.64	15.64	7.01	11.38	-9.13	7.31	9.15
Benchmark	--	--	11.48	-2.85	20.68	12.35	18.49	-8.52	15.52	17.44

### Past performance is not a reliable indicator of future results.

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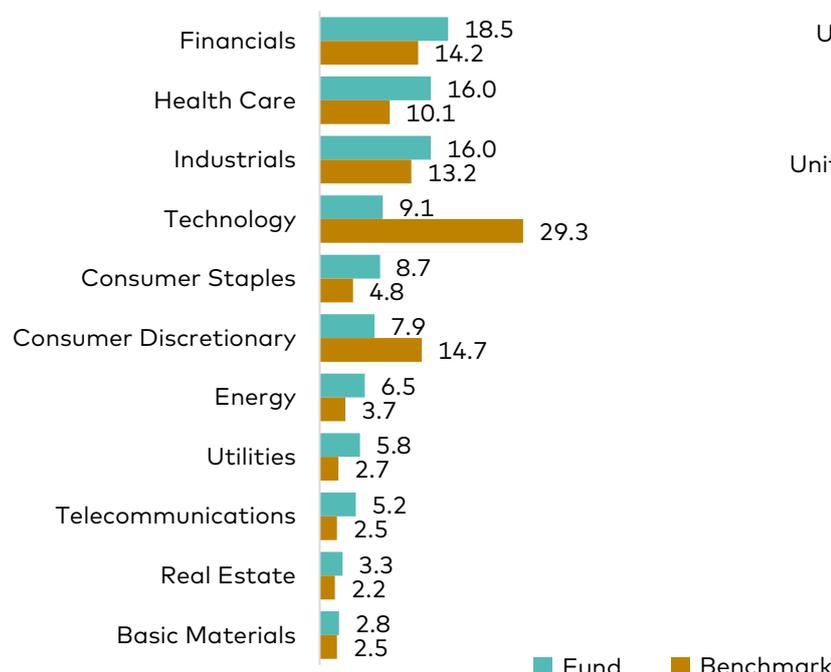
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## Vanguard ActiveLife Climate Aware 80-90% Equity Fund

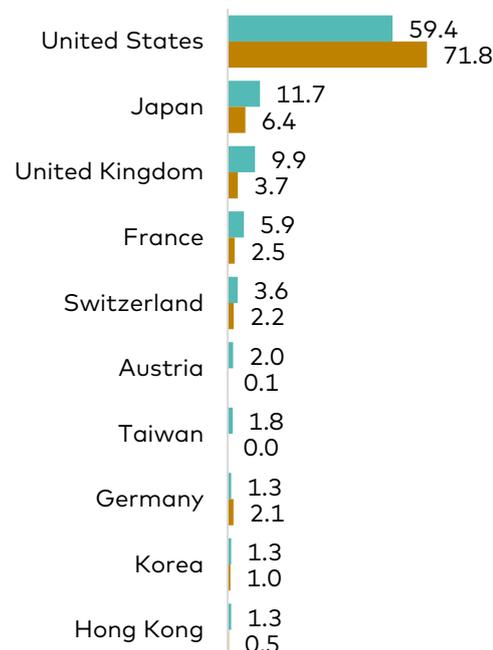
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Median market cap	£88.9B	£117.3B
PE ratio	17.3x	23.0x
Equity yield (dividend)	2.9%	1.7%

### Sector exposure (%)



### Regional exposure – top 10 regions (%)



### Fixed income portfolio (as at 31 December 2024)

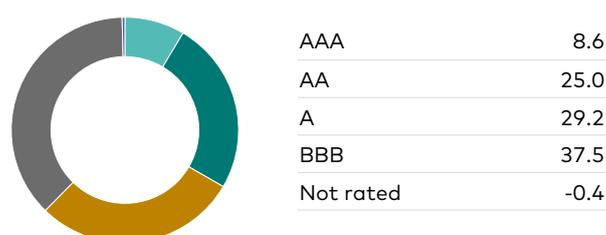
**Average coupon:** 4.2%  
**Average maturity:** 8.5 years  
**Average quality:** A

**Average duration:** 5.9 years  
**Turnover rate:** 144.9%  
**Number of bonds:** 385

### Distribution by issuer (% of bonds)

Characteristics	Fund %
Financial Institutions	27.5
Industrial	26.7
Treasury	18.9
Mortgage Backed Security Pass-through	9.0
Utility	8.9
Agency	1.6
Local Authority	1.6
Sovereign	1.2
Supranational	1.1
Asset Backed Security	0.9
Commercial Mortgage Backed Security	0.2
Other	2.4

### Distribution by credit quality (% of bonds)



Credit quality ratings for each issue are obtained from Barclays using ratings derived from Moody's Investors Service, Fitch Ratings, and Standard & Poor's. When ratings from all three agencies are available, the median rating is used. When ratings are available from two of the agencies, the lower rating is used. When one rating is available, that rating is used.

Source: Vanguard, as at 31 December 2024.

Benchmark is a composite index comprised of: 85% FTSE Developed Net Tax Index; 12% Bloomberg Global Aggregate Credit Index; 1.5% Bloomberg Global Aggregate Treasury Index; and 1.5% Bloomberg Global Aggregate Securitized Index.

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# Vanguard ActiveLife Climate Aware 80-90% Equity Fund

## Performance analysis<sup>1</sup>

### Top contributors 3-month (%)

Company name	Portfolio weight	Bench weight	3-month return	Total effect
Cisco Systems Inc.	2.5	0.3	20.0	0.3
EQT Corporation	1.5	0.0	35.3	0.3
Emerson Electric Co.	1.5	0.1	21.9	0.2
Mitsubishi UFJ Financial Group Inc.	1.3	0.2	23.8	0.2
Erste Group Bank AG	2.0	0.0	20.4	0.2

### Top detractors 3-month (%)

Company name	Portfolio weight	Bench weight	3-month return	Total effect
Tesla Inc.	0.0	1.6	65.3	-0.6
NVIDIA Corporation	0.0	4.5	18.4	-0.5
Amazon.com Inc.	0.0	2.9	26.1	-0.5
Broadcom Inc.	0.0	1.5	44.2	-0.4
Apple Inc.	0.0	5.1	15.2	-0.4

### Top contributors 12-month (%)

Company name	Portfolio weight	Bench weight	12-month return	Total effect
Erste Group Bank AG	2.0	0.0	64.4	0.6
Taiwan Semiconductor Manufacturing Company Limited	1.0	0.0	95.4	0.6
Tokio Marine Holdings Inc.	0.2	0.1	52.4	0.5
American Express Company	1.0	0.2	63.2	0.5
General Motors Company	1.0	0.1	52.5	0.3

### Top detractors 12-month (%)

Company name	Portfolio weight	Bench weight	12-month return	Total effect
NVIDIA Corporation	0.0	4.5	176.1	-3.0
Arkema S.A.	0.9	0.0	-29.4	-0.8
Intel Corporation	0.2	0.1	-58.8	-0.8
Broadcom Inc.	0.0	1.5	113.4	-0.7
TotalEnergies SE	2.0	0.2	-13.2	-0.7

#### Past performance is not a reliable indicator of future results.

<sup>1</sup>Weights are as at the end of the reporting period, but the total effect is based on positions held over the full period.

The portfolio attribution data shown above is provided by FactSet based on information provided by Vanguard about the fund's daily portfolio holdings as of the market close. Because the fund buys and sells stocks throughout the trading day and not necessarily at the market close, the attribution data shown above is an estimate and may not precisely reflect actual attribution information.

Source: FactSet, as at 31 December 2024. FactSet is a holdings-based attribution tool. Portfolio transactions are valued at closing price, which may cause some slight deviations with the fund return (based on NAV).

Note: performance attribution is sourced from FactSet, therefore the portfolio weights shown may differ from those on the previous page. Benchmark is a composite index comprised of: 85% FTSE Developed Net Tax Index; 12% Bloomberg Global Aggregate Credit Index; 1.5% Bloomberg Global Aggregate Treasury Index; and 1.5% Bloomberg Global Aggregate Securitized Index.

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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.

Reference in this document to specific securities should not be construed as a recommendation to buy or sell these securities, but is included for the purposes of illustration only.

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 risks please see the "Risk Factors" section of the prospectus on our website at <https://global.vanguard.com>.

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Reference number: 4194356