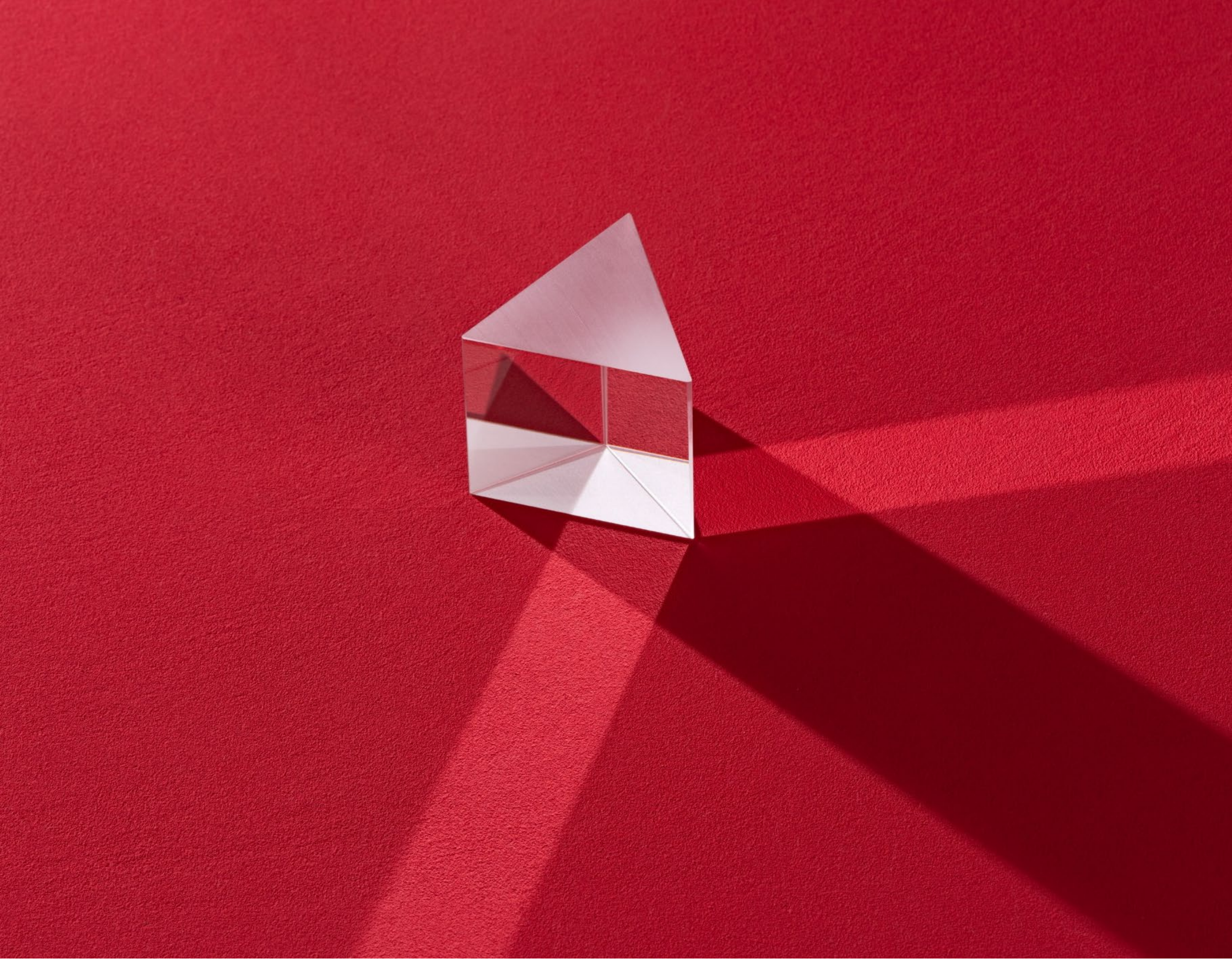


30 June 2026

ActiveLife Climate Aware 80-90% Equity Fund

Quarterly report

Market commentary

Highlights

1

AI optimism and Iran war drove market and economic outcomes.

2

Shares outperformed bonds as AI investment boosted growth expectations.

3

Inflation and higher oil prices kept interest-rate uncertainty elevated.

Two contrasting forces shaped the global economy and financial markets during the second quarter: the energy shock caused by the Iran war and optimism surrounding artificial intelligence (AI).

Global shares significantly outperformed bonds, with US and emerging market shares leading the gains. Rising investment in AI-related infrastructure and expectations of stronger company earnings supported share prices. In contrast, bond returns were weaker as investors feared the Iran war could drive up inflation, raising the prospect that interest rates would remain higher for longer.

In the UK, the economy grew by 0.6% in the first quarter, while inflation fell from 3.3% in March to 2.8% in May. This was the lowest rate since March 2025, helped by favourable comparisons with higher prices a year ago and measures announced in November's Budget. The Bank of England highlighted uncertainty over its inflation outlook because of higher oil prices linked to the Iran war. Political uncertainty also increased after the prime minister resigned in June, with a new prime minister expected as early as mid-July. UK government bond prices weakened in the early part of the period, as investors assessed the implications of a change in leadership and new chancellor, but then as the situation unfolded recovered to their levels at the beginning of the quarter.

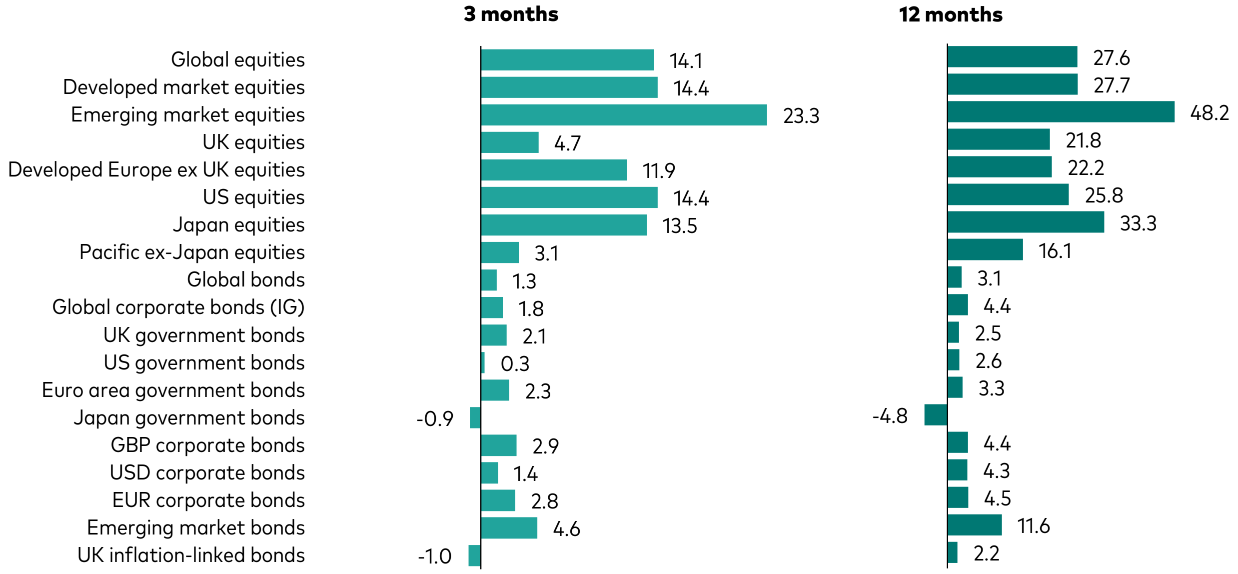
The US economy grew by 0.5% in the first quarter, largely driven by growing AI investment. Inflation rose from 3.5% in March to 4.1% in May, mainly because of higher petrol and computer chip prices. The Federal Reserve, the US central bank, kept interest rates unchanged and indicated that rates may need to remain higher for longer.

The Euro area economy fell 0.2% in the first quarter, while inflation rose from 2.6% in March to 2.8% in June, driven by sharply higher energy prices. The European Central Bank raised interest rates by 0.25 percentage points to 2.25% in June. Euro area bond yields rose on inflation concerns before easing later in the quarter as Middle East ceasefire talks progressed, reducing the risk of prolonged higher energy prices.

Source: Vanguard and Bloomberg, as at 30 June 2026.

Regional market performance

The chart below shows how equity and bond markets in different regions performed over the past 3 and 12 months, to 30 June 2026. The returns shown are in GBP and provide a high-level overview of markets. They are not the returns of the underlying funds in the LifeStrategy portfolios.



Past performance is not a reliable indicator of future results.

Source: Vanguard as at 30 June 2026. Total returns in GBP. Indices used: FTSE All World Net Tax TR GBP; FTSE Developed Index - Net Tax TR GBP; MSCI Emerging Markets Net Total Return GBP Index; FTSE All-Share Net Tax Index; 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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Fund commentary

Fund introduction

Vanguard's ActiveLife Climate Aware funds aim to grow investments over the long term, while also incorporating environmental, social and governance (ESG) criteria. The fund name refers to the percentage of shares the fund aims to hold – the remainder is invested in bonds. The fund is managed by Wellington, a global investment manager.

Highlights

1

Global stocks posted strong gains in the second quarter of 2026.

2

US and Developed markets were the top-performing regions over the period.

3

The Vanguard ActiveLife Climate Aware 80-90% Equity Fund underperformed its benchmark.

Market overview

Global stocks posted strong gains over the quarter, boosted by continued strength in AI-related companies and resilient corporate earnings. Meanwhile, global bonds delivered modest gains. While inflation and geo-political developments increased uncertainty around the direction of interest rates, the prospective higher income from bonds offered a cushion against future market-price volatility. By contrast, corporate bond spreads remained stable, reflecting generally solid corporate fundamentals and investor demand for yield.

Performance

The Vanguard ActiveLife Climate Aware 80-90% Equity Fund returned 9.87% (net of fees) over the quarter and underperformed its benchmark, the ActiveLife Climate Aware 80-90% Equity Composite Index[1] (in GBP), which returned 12.46%[2].

The fund's equity sleeve weighed on performance due to its underweight position in technology and over-weight allocation to energy. This was partially offset by positive contribution from stock selection in the tele-communications sector and an underweight position in consumer discretionary companies. Equity securities that detracted from performance included US chip manufacturer Micron Technology and French oil and gas supermajor TotalEnergies.

Micron Technology's share price rose sharply during the quarter, supported by strong demand for memory chip and data storage solutions, particularly for AI infrastructure. As Wellington did not hold the stock, this detracted from performance. Wellington believes there are more attractive companies in the sector that are higher quality and more closely align with its investment approach, which prioritises business resilience, valuation and dividend potential and long-term returns.

The share price of TotalEnergie weakened alongside broader European energy peers as the oil price weakened. The sector underperformed on signs of a potential US-Iran ceasefire agreement.

The largest holdings to make a positive contribution to performance included Taiwanese semiconductor company MediaTek and semiconductor and consumer electronics company Samsung Electronics.

MediaTek's share price advanced on reports that it is to develop AI-driven smartphone chips in partnership with US companies Qualcomm and OpenAI. This places the company at the forefront of the development of next-generation electronic devices. The partnership reinforces MediaTek's role as a key enabler of on-device AI. The investment team capitalised on a sharp rise in the share price to realise gains.

Samsung Electronics' share price was supported by a broad rally in semiconductor-related companies and strong earnings. Management reported a surge in its first-quarter 2026 operating profit and revenue, supported by strong AI memory chip demand, ongoing supply shortages and expectations for sustained data centre growth.

The fund's fixed income sleeve underperformed. The sleeve's credit-spread duration positioning detracted from returns. Conversely, the positioning in investment-grade bonds added value, while under-weight positions in the industrials and financials sectors contributed positively to returns. Within non-corporate credit, an underweight to supranationals, local authority and local agency bonds made a positive contribution to performance.

Activity

Wellington added to a position in Microsoft, a US multinational technology company. The investment team believes Microsoft's strong execution and disciplined AI capital expenditure will allow it to innovate and maintain its leadership in the evolving technology landscape.

Wellington trimmed its position in Nokia, a Finnish multinational telecommunication equipment and services provider, following the share price's positive re-rating, as there are more attractive opportunities elsewhere.

In fixed income, the fund holds an underweight position in global credit. This position reflects underweight allocations across euro and US-denominated credit, as well as supranational and sovereign issuers. The team has reduced its exposure to emerging markets amid concerns around geopolitical risks and capital flows.

[1] 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").
[2] Source: Vanguard, as at 30 June 2026. Performance is calculated net of fees, on a NAV-to-NAV basis with gross income reinvested.
Past performance is not a reliable indicator of future results. This is designed for use by and is directed only at persons resident in the UK.

Fund commentary

ESG Engagement

Wellington maintained a position in Sempra, a US utility holding company with regulated electric and gas operations in California and Texas. Sempra has the potential for high earnings growth as it becomes a less complex, Texas-led regulated utility. The investment team believes that the company's majority-owned subsidiary Oncor remains an underappreciated, high-quality regulated business.

Wellington has engaged with Sempra twice this quarter at board and executive levels. Execution and affordability are the key priorities to earn regulatory trust, fund growth and narrow the valuation gap. By balancing critical grid investments with customer affordability and decarbonisation targets, the company maintains vital regulatory trust. Sempra's disciplined execution positions the business for durable sector-leading earnings growth.

Outlook

Recent market volatility has created opportunities to invest in high-quality companies at attractive valuations. While the US remains an important source of opportunities, improving conditions in Japan and Europe are creating opportunities across a wider range of sectors. We favour businesses with durable earnings, strong balance sheets and sustainable dividend income, seeking to deliver strong long-term returns while managing risk.

The fixed income team remains cautious on both interest rate and corporate bond risks. The US economy has stayed resilient, supported by a strong jobs market and lower energy prices, which have helped consumer spending. However, inflation in services remains elevated, and several factors, including government spending, labour shortages and AI-related investment, could keep inflation and interest rates higher than markets currently expect.

Fund objective and performance

Investment objective and policy summary

- The Fund seeks to provide an increase in the value of investments over the long-term (more than 5 years) together with some money paid out as income.
- It is actively managed and invests in a diversified mix of global equities (80-90%) and bonds (10-20%), primarily in developed markets. Investments may span all countries, sectors, and industries, subject to defined climate considerations and exclusions.
- At least 70% of assets must meet specified climate criteria for corporate and sovereign issuers, with the goal of supporting progress toward net-zero outcomes. The Manager also applies exclusions for certain activities and high fuel-exporting sovereigns.
- The Fund typically remains fully invested and may use derivatives for efficient portfolio management.

Fund performance

Annualised performance*

%, GBP, after OCF[1], as at 30 June 2026

	Year to date	3m	1 yr	3 yrs	5 yrs	Since inc.
Fund	14.04	9.87	27.78	14.07	--	10.16
Benchmark	11.21	12.46	24.16	16.49	10.98	9.99
Fund vs Benchmark	*2.83*	*-2.58*	*3.61*	*-2.42*	*--*	*0.17*
Peer group	8.08	9.71	18.52	11.57	5.96	5.67

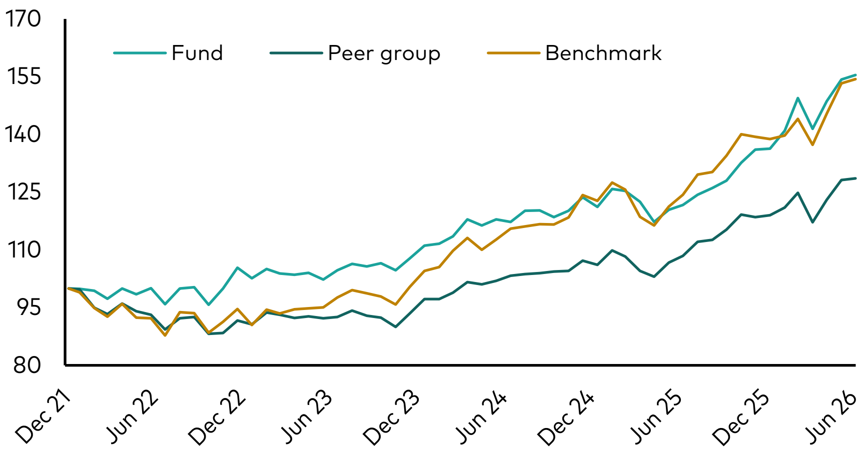
12-month return to:

%, GBP, after OCF[1]

	30 Jun 2017	30 Jun 2018	30 Jun 2019	30 Jun 2020	30 Jun 2021	30 Jun 2022	30 Jun 2023	30 Jun 2024	30 Jun 2025	30 Jun 2026
Fund	--	--	--	--	--	--	9.20	11.95	3.77	27.78
Benchmark	19.09	8.07	9.67	6.56	21.23	-4.27	11.27	18.27	7.64	24.16
Fund vs Benchmark	*--*	*--*	*--*	*--*	*--*	*--*	*-2.07*	*-6.32*	*-3.87*	*3.61*
Peer group	17.79	5.16	2.93	0.38	19.75	-7.19	3.66	11.58	5.02	18.52

Cumulative performance (since inception)

%, GBP, after OCF[1], 8 December 2021 to 30 June 2026



Fund information

Asset allocation

84.79% Equity **11.52%** Fixed Income **3.69%** Cash

Total fund assets: £249mn

Fund facts

Inception date	8 December 2021
Domicile	UK
Investment manager	Wellington Management Company LLP
Benchmark	Composite Index[2]
Peer group	IA Flexible Investment

Fees

Ongoing Charges Figure (OCF[1])	0.48%

Risk ratings[3]

Defaqto	8
Dynamic Planner	7
EValue (1-10, 15 years)	9
Synaptic (1-5)	4.9
Synaptic (1-10)	8

Fund identifiers

ISIN	GB00BMCQS161
SEDOL	BMCQS16
Bloomberg ticker	VAN85AA
Base currency	GBP

[1]The Ongoing Charges Figure (OCF) covers administration, audit, depository, legal, registration and regulatory expenses incurred in respect of the Funds.

[2]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.

[3]Risk ratings are independent measures that indicate how much risk a fund is expected to take, based on what it invests in and how much its value may rise and fall.
Defaqto data as at April 2026; Dynamic Planner data as at Q2 2026; EValue data as at Q2 2026; Synaptic data as at Q2 2026.

Past performance is not a reliable indicator of future results.

Source: Vanguard and Morningstar (data as at 30 June 2026).

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

Performance figures are calculated by comparing the fund's net asset value at the start and end of the period, assuming all income and capital gains are reinvested. All performance is calculated in GBP after fees. Benchmark performance includes the reinvestment of all dividends.

Exclusions: The Manager seeks to avoid investing in companies involved in, and/or deriving revenue above a threshold specified by the Manager, activities set out in the exclusions policy. The Manager will not invest in government bonds issued by countries where the fuel exports for the relevant country exceed 50% of total exports.

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What the fund invests in

Investment breakdown

Equity investments by region – top 10 regions (%)

Company	Fund	Benchmark
United States	53.9	68.6
Japan	12.0	6.6
United Kingdom	7.2	3.5
France	7.0	2.2
Taiwan	5.0	0.0
Switzerland	3.6	2.3
Korea	3.0	3.2
Germany	2.2	2.0
China	1.9	0.0
Austria	1.4	0.1

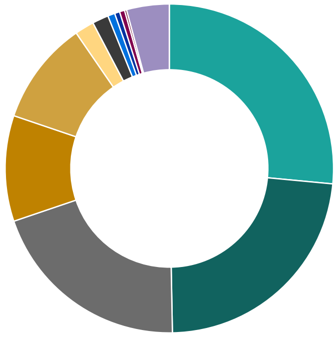
Equity investments by industry (%)

Company	Fund	Benchmark
Technology	18.1	34.9
Financials	17.7	14.1
Industrials	14.4	13.0
Health Care	14.0	8.3
Consumer Discretionary	7.1	11.4
Consumer Staples	6.5	4.0
Energy	6.3	3.6
Telecommunications	6.3	3.4
Utilities	4.8	2.7
Basic Materials	3.5	2.8
Real Estate	1.5	1.8

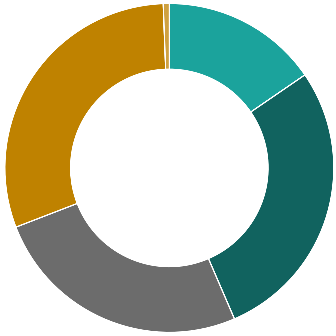
Equity investments – Top 10 holdings (% exposure)

Company	%
Microsoft Corp	3.0
Alphabet Inc	2.8
Samsung Electronics Co Ltd	2.5
Merck & Co Inc	2.3
TotalEnergies SE	2.0
AstraZeneca PLC	1.9
Unilever PLC	1.8
Taiwan Semiconductor Manufacturing Co Ltd	1.7
Intel Corp	1.7
Cisco Systems Inc	1.7

Bond investments by type of issuer



Bond investments by credit rating



Credit ratings 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.

Investments by currency

Source: Vanguard (data as at 30 June 2026).
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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Fund characteristics

This section provides a snapshot of the types of investments held within the fund. The information below is designed to help you understand the fund's structure, diversification, income potential, and sensitivity to market conditions. It does not predict future returns.

Equity holdings

Characteristic[1]	Fund value	Benchmark value	Explanation
Number of companies	81	1,975	The fund holds shares in many companies to help spread risk.
Median company size	£79.7B	£165B	Shows the size of a typical company in the fund, based on its stock market value.
Dividend yield (%)	2.3%	1.5%	Shows how much income the companies pay out as dividends as a percentage of the share price each year.
Price-to-earnings (P/E) ratio (x)	20.2x	24.2x	Compares a company's share price with its earnings, helping investors judge whether the shares offer good value relative to current performance and future prospects. A higher P/E ratio may suggest that investors expect strong growth, while a lower ratio could suggest more modest expectations.

Bond holdings

Characteristic[2]	Fund value	Explanation
Number of bonds	457	The fund holds many different bonds to help spread risk.
Average duration	5.8 years	Shows the average time it takes to get a bond's value back through interest payments and the final repayment. The longer the duration, the more sensitive the bond is to changes in interest rates.
Average coupon	4.0%	The average interest rate paid by the bonds in the fund, as a percentage of their face value.
Average credit rating	A+	The average credit rating of the portfolio's bond holdings. For investment-grade bonds, this ranges from AAA to BBB-.
Average maturity	8.2 years	The average time to maturity of the portfolio's bond holdings.

Additional information

All data reflects the fund's holdings as of the date of this document and may change over time.
The fund holds a mix of government, public sector, company and mortgage-backed bonds, along with a broad range of shares. The figures shown are averaged across all holdings to give a clear overall picture.

Source: Vanguard (data as at 30 June 2026).
[1]Calculated as the average across the equity holdings, weighted by the size of each holding.
[2]Calculated as the average across the bond holdings, weighted by the size of each holding.
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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Performance analysis[1]

Top contributors to returns (last 3 months) (%)

Company name	Weight in portfolio	Weight in benchmark	3-month return	Contribution to return
MediaTek Inc.	1.8	0.0	184.1	1.5
Intel Corporation	2.0	0.7	214.4	1.1
Samsung Electronics Co. Ltd.	2.9	1.2	96.4	0.8
Nokia Oyj	1.3	0.1	68.3	0.7
Cisco Systems Inc.	1.9	0.5	51.2	0.5

Top detractors to returns (last 3 months) (%)

Company name	Weight in portfolio	Weight in benchmark	3-month return	Contribution to return
Micron Technology Inc.	0.0	1.4	239.5	-1.0
TotalEnergies SE	2.3	0.2	-16.1	-0.9
Advanced Micro Devices Inc.	0.0	1.0	183.7	-0.7
SK hynix Inc.	0.0	1.0	222.6	-0.7
Alibaba Group Holding Limited	0.8	0.0	-21.8	-0.4

Top contributors (last 12 months) (%)

Company name	Weight in portfolio	Weight in benchmark	12-month return	Contribution to return
MediaTek Inc.	1.8	0.0	218.9	1.9
Samsung Electronics Co. Ltd.	2.9	1.2	408.6	1.8
Intel Corporation	2.0	0.7	543.6	1.7
Samsung Electronics Co. Ltd.	0.1	0.0	404.9	1.5
Nokia Oyj	1.3	0.1	170.7	1.4

Top detractors (last 12 months) (%)

Company name	Weight in portfolio	Weight in benchmark	12-month return	Contribution to return
Micron Technology Inc.	0.0	1.4	868.6	-1.6
Capgemini SE	1.0	0.0	-37.0	-1.1
Accenture PLC	0.6	0.1	-55.9	-1.1
SK hynix Inc.	0.0	1.0	718.9	-1.1
Advanced Micro Devices Inc.	0.0	1.0	322.7	-0.9

Past performance is not a reliable indicator of future results.
[1] 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 30 June 2026. 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 net asset value).
Note: performance attribution is sourced from FactSet, therefore the portfolio weights shown may differ from those on previous pages. There may be more than one instance where the same company name appears in the tables, reflecting the portfolio's holdings in multiple listed lines of the same company.
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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Active fund management

This is an approach to investing that sees an investment manager select shares and other assets in accordance with the fund's investment objectives.

Annualised performance

Shows the average return per year over a period, assuming returns are compounded each year (i.e. the investor earns a return on their return as well as the original capital).

Asset allocation

This refers to the mix of different assets (or investments), such as shares and bonds, in a portfolio.

Asset, asset class

A category of investment that displays similar characteristics, for example, shares, bonds or property.

Bonds

Bonds are a type of loan issued by governments or companies, which typically pay a fixed amount of interest and return the capital at the end of the term.

Corporate bonds

Corporate bonds are loans to companies, used to fund business activities. They usually pay higher income than government bonds, reflecting the higher level of risk.

Credit rating (bonds)

Indicates how likely a bond issuer is to meet its debt payments. Higher ratings, such as AAA, typically mean lower risk, while lower ratings, such as BBB or below, indicate higher risk but potentially higher returns.

Cumulative performance

Shows the return over a period of time, reflecting the overall change in value from the start to the end of the period.

Derivatives

A financial contract whose value is linked to another asset, such as a share or bond.

Diversification

This is a strategy designed to reduce the risk in an investment portfolio by holding a wide range of assets. This helps to manage risk because better-performing investments can help to offset those that perform less well, over time.

Equities/shares

Equities – also known as shares – are a way to own a stake in a company.

Fund

An investment product that pools the money of many investors to buy shares and/or other assets.

Fund manager

This is the person or company who manages a fund. In an active fund, they will make the investment decisions. In an index fund, they will make sure the fund is closely tracking the index.

Government bonds

Government bonds are loans to a government. They are generally seen as lower risk than corporate bonds, but usually provide lower income in return.

Government-related bonds

Bonds issued by organisations owned or supported by government, rather than by the government itself. They typically offer higher income but slightly higher risk than government bonds.

Inception date

The date when the fund began operating and recording its performance.

Index

An index typically measures the performance of a basket of investments that are intended to replicate a certain area of the market. Indices are often used as benchmarks against which to evaluate the performance of an investment, such as a fund.

Index fund

An index fund aims to follow the performance of a market index by investing in the same or similar assets.

Index-linked bonds

Bonds where the interest payments and the amount repaid at maturity are adjusted in line with inflation.

Index provider

An index provider is a company that designs and calculates an index (as defined above). They set the rules on what is included in the index, how it is managed and how constituents will be added or removed over time.

Inflation

Inflation is the rise in prices for goods and services over time, meaning your money buys less than it used to.

Investment risk

The likelihood that the return on an investment will differ from what is expected. There are different types of risk, including market risk (the chance that returns will fluctuate) and shortfall risk (the possibility that a portfolio will fail to meet its longer-term objective). Different investors have different tolerances for risk based on factors such as their personal circumstances and their investment timeframe.

Maturity (bonds)

Maturity is when a bond is due to be repaid and the investor receives their original investment back.

Monthly volatility

A measure of how much an investment's returns vary from month to month. A monthly volatility of 3% means the monthly return will be 3 percentage points above or below the average monthly return most of the time, but there's a smaller chance it will fall outside that range.

NURS (Non-UCITS retail schemes)

Non-UCITS Retail Schemes (NURS) are a type of UK investment fund that can invest more flexibly than UCITS funds. They can hold a wider range of investments, such as property or private companies, and they can invest more heavily in certain areas, including other funds.

OCF (ongoing charges figure)

The ongoing charges figure (OCF) covers administration, audit, depository, legal, registration and regulatory expenses incurred in respect of the Funds.

Portfolio

This is a collection of individual investments or funds that is usually created to meet specific goals, such as long-term capital growth. A model portfolio is a pre-built collection of investments – a model portfolio manager or financial adviser selects the investments (usually funds) within the model portfolio.

Rebalancing

Rebalancing is the process of adjusting the balance of assets in a portfolio (such as shares and bonds) to maintain its target asset mix over time.

Recession

A recession is typically defined as two consecutive quarters (three-month periods) of negative economic growth.

Securitised bonds

Bonds that are backed by a pool or loans or other assets, such as mortgages or credit card debt. The income paid to investors comes form the repayments made on those underlying loans, rather than from a single issuer.

SRRI (Synthetic Risk and Reward Indicator)

Synthetic Risk and Reward Indicator is used to indicate the level of risk of a NURS fund on a scale of 1 to 7, with 1 representing low risk and 7 representing high risk.

UK investment-grade bonds

Investment-grade bonds are considered to have a lower risk of default and receive higher rates by credit rating agencies – typically BBB or above. The opposite to an investment-grade bond is a high-yield or 'junk' bond.

Valuations

A measure of how well company share prices are justified by important measures such as their earnings.

Volatility

The extent to which investment values fluctuate over time. When investors are uncertain about the economic environment or geopolitical events, short-term volatility tends to increase.

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.

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.

Important information

This is a marketing communication.

Vanguard only gives information on products and services and does not give investment advice based on individual circumstances. If you have any questions related to your investment decision or the suitability or appropriateness for you of the products described, please contact your financial adviser.

For further information on the fund's investment policies and risks, please refer to the prospectus of the UCITS and to the KIID before making any final investment decisions. The KIID for this fund is available, alongside the prospectus via Vanguard's website https://global.vanguard.com/.

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