

# Vanguard Quarterly Risk Profile Update Note Q2 2025



Equity FundVanguard LifeStrategy 20% Equity MPS Classic33.82%1.29%5.08%3.421Vanguard LifeStrategy 40% Equity MPS Classic44.51%1.96%6.68%4.181Vanguard LifeStrategy 60% Equity MPS Classic55.19%2.63%8.91%5.241	Portfolio	Assigned risk profile	Latest Forecast Nominal Return^	Latest Forecast Real Return^	Latest Forecast Vol*	Latest asset allocation – risk profile equivalent*	Status
LifeStrategy 20%    Equity Fund  3  3.89%  1.36%  5.05%  3.40  4    LifeStrategy 40%  Equity Fund  4  4.59%  2.04%  6.64%  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4.16  4  4  4.59%  2.04%  6.64%  4.16  4  4  4  4.16  4  4  4.16  4  4  4  4  4  4  4  4  4  5  3.41%  11.46%  6.46  4  4  4  4  4  4  4  5  8  4  4  4  4  4  4  4  4  4  4	LifeStrategy 100%						
Equity Fund  3  3.89%  1.36%  5.05%  3.40  11    LifeStrategy 40%  Equity Fund  4  4.59%  2.04%  6.64%  4.16  11  11    LifeStrategy 60%  Equity Fund  5  5.32%  2.76%  8.92%  5.25  11  11    LifeStrategy 80%  Equity Fund  6  5.99%  3.41%  11.46%  6.46  11  11    Vanguard ActiveLife  Climate Aware 60-70%  6  5.72%  3.14%  10.14%  5.83  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11  11	Equity Fund	7	6.70%	4.09%	14.15%	7.74	
LifeStrategy 40%  4  4.59%  2.04%  6.64%  4.16  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1			/		/		
Equity Fund  4  4.59%  2.04%  6.64%  4.16  1    LifeStrategy 60%  Equity Fund  5  5.32%  2.76%  8.92%  5.25  1  1    LifeStrategy 80%  Equity Fund  6  5.99%  3.41%  11.46%  6.46  1  1    Vanguard ActiveLife  Climate Aware 60-70%  6  5.72%  3.14%  10.14%  5.83  1  1    Vanguard ActiveLife  Climate Aware 40-50%  5  2  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1	Equity Fund	3	3.89%	1.36%	5.05%	3.40	
LifeStrategy 60%  Equity Fund  5  5.32%  2.76%  8.92%  5.25  1  1    LifeStrategy 80%  Equity Fund  6  5.99%  3.41%  11.46%  6.46  1  1    Vanguard ActiveLife  Climate Aware 60-70%  6  5.72%  3.14%  10.14%  5.83  1  1    Vanguard ActiveLife  Climate Aware 40-50%  5  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1<	LifeStrategy 40%						ابر ابر ابر
Equity Fund  5  5.32%  2.76%  8.92%  5.25  1    LifeStrategy 80%  Equity Fund  6  5.99%  3.41%  11.46%  6.46  1  1    Vanguard ActiveLife  Climate Aware 60-70%  6  5.72%  3.14%  10.14%  5.83  1  1    Vanguard ActiveLife  Climate Aware 60-70%  6  5.72%  3.14%  10.14%  5.83  1  1    Vanguard ActiveLife  Climate Aware 40-50%  5	Equity Fund	4	4.59%	2.04%	6.64%	4.16	<b>  </b>
LifeStrategy 80%  Equity Fund  6  5.99%  3.41%  11.46%  6.46  1  1    Vanguard ActiveLife  Climate Aware 60-70%  6  5.72%  3.14%  10.14%  5.83  1  1    Vanguard ActiveLife  Climate Aware 40-50%  5	LifeStrategy 60%						ابر ابر ابر
Equity Fund  6  5.99%  3.41%  11.46%  6.46  1    Vanguard ActiveLife Climate Aware 60-70%  6  5.72%  3.14%  10.14%  5.83  1  1    Vanguard ActiveLife Climate Aware 40-50%  5	Equity Fund	5	5.32%	2.76%	8.92%	5.25	<b>  </b>    <b>   </b>
Vanguard ActiveLife    Climate Aware 60-70%  6  5.72%  3.14%  10.14%  5.83  1  1  1    Equity Fund  Vanguard ActiveLife  10.14%  5.83  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1	LifeStrategy 80%						ու ու ու
Climate Aware 60-70%  6  5.72%  3.14%  10.14%  5.83  1  1    Equity Fund  Vanguard ActiveLife  Image: Climate Aware 40-50%  5  Image: Climate Aware 40-50%  5  Image: Climate Aware 40-50%  5  Image: Climate Aware 80-90%  7  6.02%  3.43%  11.70%  6.57  Image: Climate Aware 80-90%  7  6.02%  3.43%  11.70%  6.57  Image: Climate Aware 80-90%  7  6.02%  3.43%  11.70%  6.57  Image: Climate Aware 80-90%  7  6.02%  3.43%  11.70%  6.57  Image: Climate Aware 80-90%  7  6.02%  3.43%  11.70%  6.57  Image: Climate Aware 80-90%  7  6.02%  3.43%  11.70%  6.57  Image: Climate Aware 80-90%  7  6.02%  3.43%  11.70%  6.57  Image: Climate Aware 80-90%  7  6.02%  3.43%  11.70%  6.57  Image: Climate Aware 80-90%  7  6.02%  3.42  Image: Climate Aware 80-90%  7  6.02%  3.42  Image: Climate Aware 80-90%  7  6.68%  4.18  Image: Climate Aware 80-90%  7  6.68%  4.18  Image: Climate Aware 80-90%	Equity Fund	6	5.99%	3.41%	11.46%	6.46	<b>  </b>
Equity FundVanguard ActiveLife Climate Aware 40-50%5Equity Fund76.02%3.43%11.70%6.5711Vanguard ActiveLife Climate Aware 80-90%76.02%3.43%11.70%6.5711Equity Fund720%3.43%11.70%6.57111Vanguard LifeStrategy 20% Equity MPS Classic33.82%1.29%5.08%3.4211Vanguard LifeStrategy 40% Equity MPS Classic44.51%1.96%6.68%4.18111Vanguard LifeStrategy 60% Equity MPS Classic55.19%2.63%8.91%5.24111	Vanguard ActiveLife						ابر ابر ابر
Vanguard ActiveLife Climate Aware 40-50%5III IIIClimate Aware 40-50%55Equity FundVanguard ActiveLife Climate Aware 80-90%76.02%3.43%11.70%6.57IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII		6	5.72%	3.14%	10.14%	5.83	14 14 14
Climate Aware 40-50% Equity Fund5III IIIIVanguard ActiveLife Climate Aware 80-90% Equity Fund76.02%3.43%11.70%6.57IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII							
Equity Fund    Vanguard ActiveLife  7  6.02%  3.43%  11.70%  6.57  1  1    Equity Fund	-	5					الد الد ال
Climate Aware 80-90%  7  6.02%  3.43%  11.70%  6.57  1  1    Equity Fund  Vanguard LifeStrategy  3  3.82%  1.29%  5.08%  3.42  1  1  1    Vanguard LifeStrategy  3  3.82%  1.29%  5.08%  3.42  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1  1	Equity Fund						
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Vanguard LifeStrategy 20% Equity MPS Classic33.82%1.29%5.08%3.421Vanguard LifeStrategy 40% Equity MPS Classic44.51%1.96%6.68%4.181Vanguard LifeStrategy 60% Equity MPS Classic55.19%2.63%8.91%5.241		7	6.02%	3.43%	11.70%	6.57	
Vanguard LifeStrategy    40% Equity MPS Classic  4  4.51%  1.96%  6.68%  4.18  1    Vanguard LifeStrategy  60% Equity MPS Classic  5  5.19%  2.63%  8.91%  5.24  1  1	Vanguard LifeStrategy						ابر ابر ابر
40% Equity MPS Classic  4  4.51%  1.96%  6.68%  4.18    Vanguard LifeStrategy  60% Equity MPS Classic  5  5.19%  2.63%  8.91%  5.24	20% Equity MPS Classic	3	3.82%	1.29%	5.08%	3.42	<b>           </b>
Vanguard LifeStrategy60% Equity MPS Classic555.19%2.63%8.91%5.241	Vanguard LifeStrategy						ابر ابر ابر
60% Equity MPS Classic 5 5.19% 2.63% 8.91% 5.24	40% Equity MPS Classic	4	4.51%	1.96%	6.68%	4.18	
	Vanguard LifeStrategy						اير اير
Vanguard LifeStrategy	60% Equity MPS Classic	5	5.19%	2.63%	8.91%	5.24	111 111 1 <b>1</b> 1
	Vanguard LifeStrategy						اير اير اير
<b>80% Equity MPS Classic 6</b> 5.91% 3.33% 11.81% 6.62		6	5.91%	3.33%	11.81%	6.62	

Please see Appendix for the Red, Amber & Green status descriptions.

<sup>&</sup>lt;sup>A</sup> Forecast annualised returns (nominal and real) based on current asset allocations and estimated asset class returns.

<sup>\*</sup> Provides the position of the expected volatility and associated risk level based on the latest available asset allocation (i.e. 31 December 2024).

			Q	y Risk Profile		
Vanguard LifeStrategy 100% Equity MPS	8	6.57%	3.97%	14.60%	7.95	իս իս իս
Global	-			•••		in the first

We have based our review on the approach that was agreed at the start of the risk profiling service and used the DP capital market assumptions for Q2 2025. There have been no changes to the risk profile boundaries this quarter.

As we did not receive March data for 'Vanguard ActiveLife Climate Aware 40-50% Equity Fund', we have placed it on Amber. The nominal returns, the real return and Volatility, risk level are all left blank. The Vanguard ActiveLife Climate Aware 80-90% Equity Fund is still on red and still getting reviewed.

## Appendix

### **Status descriptions**

Щ	A <b>red</b> status indicates that the solution's current risk profile is no longer appropriate to the DP scale and that it will be changed at next quarter's review unless action is taken by the asset management team.
Щ	An <b>amber</b> status indicates that one or more of the measures considered may indicate the possibility of an alternative risk profile. This could be due to short-term tactical positioning within the solution or other market considerations and does not imply that the long-term risk profile should necessarily change.
Щ	A <b>green</b> status indicates that the solution is in line with the assigned risk profile and no action is needed.

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You should not rely on this information in making an investment decision and it does not constitute a recommendation or advice in the selection of a specific investment or class of investments.

The analysis in this report has been based on data and information provided by Vanguard as at 31 December 2024.

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Bank of England, Barclays Capital Inc., Bloomberg LLC, Heriot Watt University Gilt database, International Monetary Fund (IMF) and Office of National Statistics

#### **Publication date**

26/06/2025

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