

Vanguard®

Vanguard LifeStrategy® 100% Equity Fund

Quarterly report

31 March 2025



This document is directed at professional investors and should not be distributed to, or relied upon by retail investors.
This document is designed for use by, and is directed only at persons resident in the UK.

Market commentary

Vanguard LifeStrategy® 100% Equity Fund

As at 31 March 2025

Highlights

- 1** UK stagflation risks increased.
- 2** US trade tariff uncertainties started to weigh on markets.
- 3** Euro area eased fiscal rules.

In Q1 2025, the UK and US economies showed signs of weakening, while euro area activity marginally improved. Inflation remained above target in both the UK and US but was benign for the euro area. The European Central Bank (ECB) cut interest rates twice, the Bank of England (BoE) once and the US Federal Reserve (the Fed) kept interest rates unchanged.

Although the UK economy marginally expanded in Q4 2024, Q1 2025 data suggests weakness ahead. Elevated wage inflation remains a concern, with the latest annual wage growth at 5.9%. Annual headline inflation rose to 2.8% in February, up from 2.5% in December. The BoE cut rates from 4.75% to 4.50% in February on growth concerns.

In the US, the latest indicators suggested that trade tariff tensions were weighing on economic prospects. The latest inflation report in February also dampened investor sentiment. The Fed's preferred inflation measure, the annual Core Personal Consumption Expenditures (PCE) Price Index, which excludes food and energy costs, unexpectedly rose

from January's 2.7% to 2.8% in February. With inflation diverging from the Fed's 2% target, the central bank opted to keep its monetary policy unchanged, maintaining the federal funds rate target range at 4.25-4.50%.

The euro area's economic activity marginally improved in the final quarter of 2024. Surveys suggest that growth is set to continue into Q1 2025. The euro area also saw a significant fiscal turnaround in Q1, with the new German government announcing a large-scale spending plan to boost infrastructure and defence. Annual headline inflation in the euro region remained close to the ECB's 2% target, edging down from 2.4% in December to 2.2% in March. The ECB cut its policy rate by 50 basis points during the quarter, leaving its deposit rate at 2.50%.

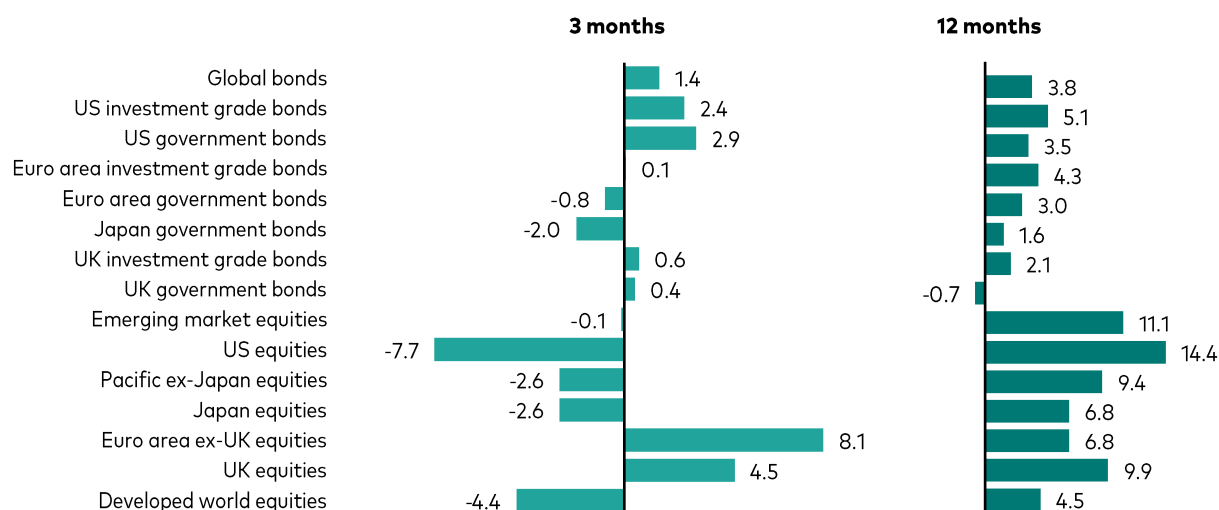
In Q4 2024, China's economy grew by 1.6% (annualised). However, recent economic indicators suggest that growth is weakening. Inflation fell from 0.1% in December to -0.7% in February, raising concerns about deflation. Despite this, interest rates were unchanged.

Source: all data has been sourced from Bloomberg.

Regional market performance

Equity and bond market total returns: 3 months and 12 months to 31 March 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 31 March 2025. Total returns in GBP. Indices used: Bloomberg Global Aggregate Float Adjusted and Scaled Index GBP Hedged; Bloomberg Global Aggregate USD Credit Float Adjusted Bond Index GBP Hedged; Bloomberg U.S. Government Float Adjusted Bond Index GBP Hedged; Bloomberg EUR Non Government Float Adjusted Bond Index GBP Hedged; Bloomberg EUR Government Float Adjusted Bond Index GBP Hedged; Bloomberg Japan Government Float Adjusted Bond Index GBP Hedged; Bloomberg GBP Non Government Float Adjusted Bond Index in GBP; Bloomberg U.K. Government Float Adjusted Bond Index in GBP; MSCI Emerging Markets Index GBP; S&P Total Market Net TR Index GBP; MSCI Pacific ex Japan Index GBP; MSCI Japan Index GBP; FTSE Developed Europe ex U.K. Index GBP; FTSE All-Share Index GBP; FTSE Developed Index GBP.

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Portfolio commentary

Vanguard LifeStrategy® 100% Equity Fund

As at 31 March 2025

Highlights

- 1** The LifeStrategy 100% Equity Fund recorded a -2.32% return.
- 2** US equities weighed on global equity returns.
- 3** UK and Europe (ex-UK) stocks outperformed.

The LifeStrategy 100% Equity Fund recorded a return of -2.32% in the first quarter of 2025.

The Fund's holdings in US and Developed World (ex-UK) equities were the main detractors from performance. The US equity weighting in Developed World (ex-UK) particularly weighed on performance. By contrast, exposure to UK and Europe (ex-UK) equities contributed to performance.

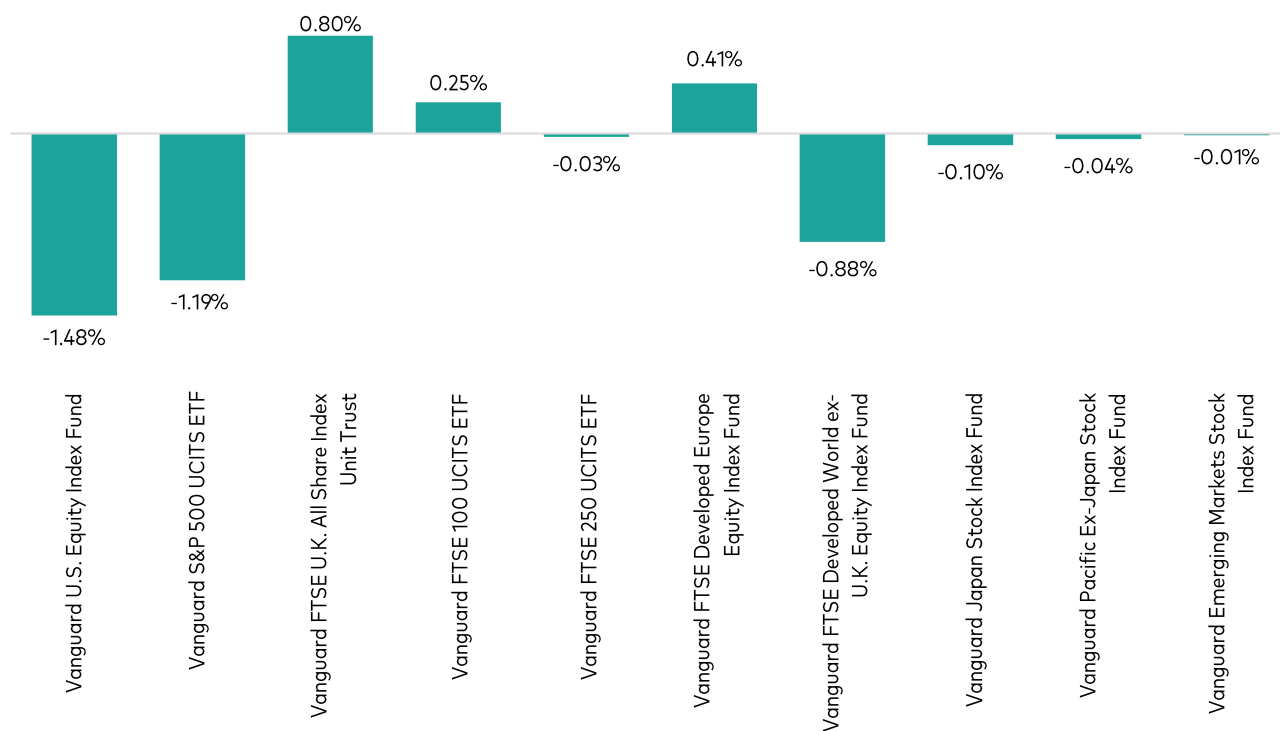
US equities led a broader equity market sell-off during the quarter. Early in the period, the US market posted steep declines after the release of a new AI model by Chinese artificial intelligence (AI) startup DeepSeek; ongoing concerns about the economic impact of trade tariffs also caused market volatility to jump during the quarter on increased recession risk and expectations of higher inflation. Asia-Pacific and Japan equities underperformed global benchmarks due to being more exposed to technology and export-sensitive sectors. Raised interest rates in Japan also weighed on investor sentiment. Meanwhile, Europe and UK

equities outperformed, benefitting from a combination of cheaper valuations, healthy corporate earnings and higher potential defence and infrastructure spending, particularly in Germany.

Looking ahead, the US tariff announcements in April represented one of the largest trade shocks in the past century and the sharp market sell-off in response to the tariffs reflected their significance. Trade tariffs augur significant ramifications for economic activity and the lifting of inflationary expectations in the short term. Given the market turmoil, diversification across regions, sectors and asset classes is crucial. During this period of uncertainty, investors should continue to focus on their long-term goals.

Performance contribution of underlying Vanguard funds in Q1 2025 (%)

Vanguard LifeStrategy 100% Equity Fund (accumulation shares)



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Source: Vanguard as at 31 March 2025.

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

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Fund factsheet

Vanguard LifeStrategy® 100% Equity Fund

As at 31 March 2025

Total fund assets: £8,517mn

Investment objective and policy summary

- The Fund seeks to hold investments that will pay out money and increase in value through a portfolio comprising approximately 100% shares.
- The Fund will have exposure to shares of UK companies and non-UK companies (including emerging markets (i.e. countries that are progressing toward becoming advanced, usually shown by some development in financial markets, the existence of some form of stock exchange and a regulatory body)). The UK will generally form one of the largest single country exposures for shares.

Fund performance

Annualised performance*

%, GBP, net of OCF, as at 31 March 2025

	YTD	1m	3m	6m	1yr	3yrs	5yrs	10yrs	Since inc.
LifeStrategy 100% Equity Fund-Acc.	-2.32	-5.33	-2.32	1.92	5.70	7.41	13.59	9.41	9.92

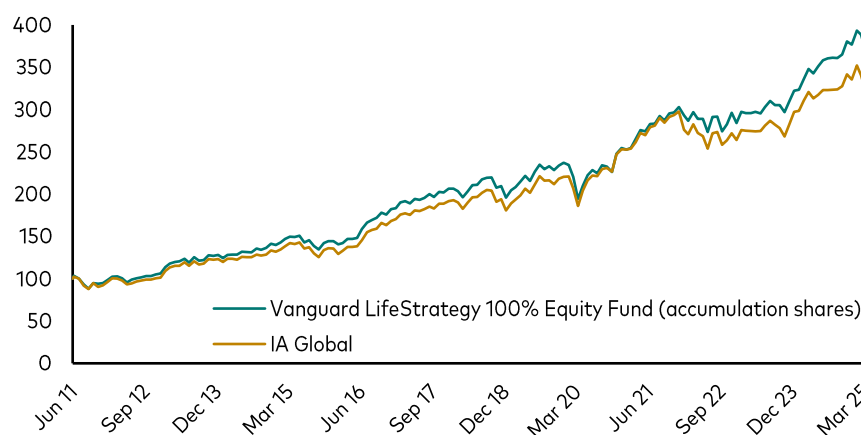
12-month return to:

%, GBP, net of OCF

	31 Mar 2016	31 Mar 2017	31 Mar 2018	31 Mar 2019	31 Mar 2020	31 Mar 2021	31 Mar 2022	31 Mar 2023	31 Mar 2024	31 Mar 2025
LifeStrategy 100% Equity Fund-Acc.	-1.60	30.29	2.38	9.30	-9.38	36.30	11.97	-0.31	17.59	5.70
IA Global	-3.20	29.03	2.87	8.74	-6.31	40.58	8.15	-2.84	16.80	-0.35

Cumulative performance (since inception)

%, GBP, net of OCF, 23 Jun 2011 to 31 Mar 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.

Fund information

Asset allocation



Fund facts

Investment structure	UCITS
Domicile	UK
UK Reporting Status	Yes
Inception date	23/06/2011
Use of income	Accumulating
ISA eligible	Yes
SRRI ¹	5
IA Sector	Global

Fees

Ongoing Charges Figure (OCF ²)	0.22%
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Purchase information

ISIN	GB00B41XG308
SEDOL	B41XG30
Bloomberg ticker	VGL100A
Base currency	GBP

Risk ratings³

Defaqto	9
Dynamic Planner	7
EValue (1-10, 15 years)	10
Finametrica	83-100
Oxford Risk (of 5)	5
Oxford Risk (of 7)	6
Synaptic (1-5)	5.5
Synaptic (1-10)	9

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

²The Ongoing Charges Figure (OCF) covers administration, audit, depository, legal, registration and regulatory expenses incurred in respect of the Funds. When you invest with any fund manager, you pay a number of charges, starting with the Annual Management Charge (AMC) which covers the fund manager's costs of managing the fund. The AMC plus ongoing running costs and other operational expenses make up the fund's total 'ongoing charges figure'.

³Defaqto data as at 1 January 2025; Dynamic Planner data as at Q1 2025; EValue data as at Q1 2025; FinaMetrica data as at 31 March 2025; Oxford Risk data as at 24 January 2025; Synaptic data as at Q1 2025.

Data shown is for the Vanguard LifeStrategy 100% Equity Fund GBP Gross Accumulation share class.

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Fund factsheet (continued)

Vanguard LifeStrategy® 100% Equity Fund

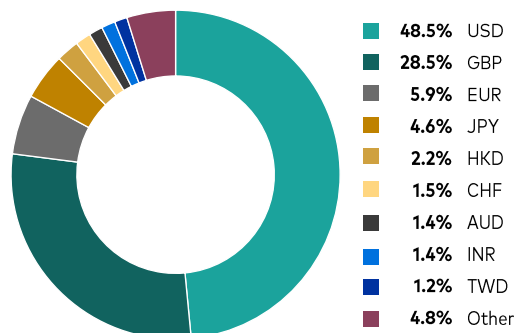
As at 31 March 2025

Fund breakdowns

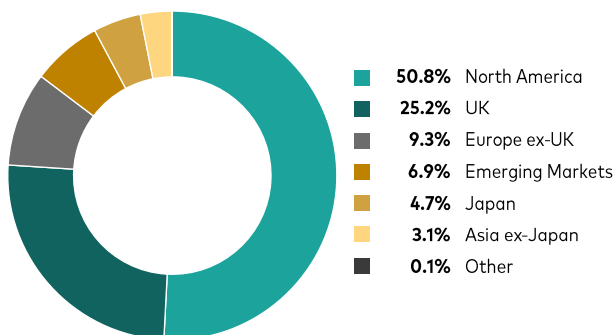
Breakdown of underlying funds

Equity allocation	(%)
Vanguard U.S. Equity Index Fund	19.5
Vanguard FTSE U.K. All Share Index Unit Trust	19.4
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	19.2
Vanguard S&P 500 UCITS ETF	16.8
Vanguard Emerging Markets Stock Index Fund	7.7
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	6.6
Vanguard FTSE 100 UCITS ETF	5.3
Vanguard Japan Stock Index Fund	3.4
Vanguard Pacific Ex-Japan Stock Index Fund	1.6
Vanguard FTSE 250 UCITS ETF	0.5

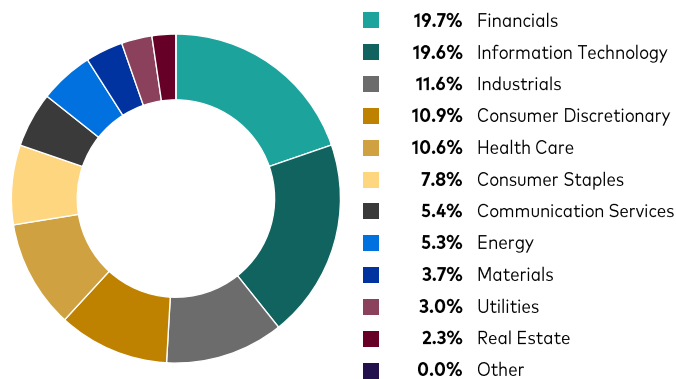
Fund currency breakdown



Equity regional breakdown



Equity sector breakdown



Equity characteristics¹

Number of stocks	6,631
Median market cap (GBP mn)	85.98
Equity yield (%)	2.26
P/E ratio (x)	19.99

Data shown is for the Vanguard LifeStrategy 100% Equity Fund GBP Gross Accumulation share class.

Source: Vanguard (Data as of 31/03/2025)

¹ Calculated as the weighted average across the equity allocation.

Note: Fund and asset class weights should add up to 100%; however, there may be differences 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.

Counterparty risk. The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss.

Liquidity risk. Lower liquidity means there are insufficient buyers or sellers to allow the Fund to sell or buy investments readily. This could cause the Fund to incur higher costs when buying or selling investments or could mean that the Fund is not able to buy or sell investments when it would like to do so.

Use of derivatives. The use of derivatives could increase or reduce exposure to underlying assets and result in greater fluctuations of the Fund's net asset value.

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.

The Vanguard LifeStrategy® Funds may invest in Exchange Traded Fund (ETF) shares.

ETF shares can be bought or sold only through a broker. Investing in ETFs entails stockbroker commission and a bid-offer spread which should be considered fully before investing.

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.

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

Important information

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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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