

## Market timing or a LifeStrategy® Fund?

The chart below shows the performance of various asset classes over the past ten years, along with the performance of the LifeStrategy® 60% Equity Fund. You can see that persistence among asset classes is fleeting, with top-performing investments from one year often falling to the bottom of the rankings in subsequent years.

With their pre-defined weightings and regular rebalancing, LifeStrategy Funds help investors to overcome the temptation to time markets. And because they offer exposure to a wide spread of equity and bond markets, the funds also provide a smoother return than you would get from individual asset classes.

### Key bond and equity index returns (%), ranked by performance with returns from LifeStrategy 60% Equity Fund

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
28.3	19.6	8.8	35.4	21.1	0.8	26.5	16.4	28.1	0.3	Top-performing asset class
24.0	18.8	5.5	34.1	17.2	0.5	22.3	13.0	20.0	-3.3	
21.0	14.6	5.3	29.6	16.9	0.1	21.2	12.8	18.3	-6.4	
20.8	12.5	4.0	25.5	13.8	-0.4	19.2	11.9	17.6	-7.3	
13.6	11.3	<b>2.5</b>	25.4	13.1	-2.2	15.9	11.3	<b>9.9</b>	-8.8	
<b>11.1</b>	<b>9.4</b>	1.4	21.2	11.3	<b>-3.1</b>	<b>15.2</b>	9.1	4.0	-9.4	Bottom-performing asset class
1.6	7.9	1.0	<b>18.3</b>	<b>8.6</b>	-3.4	14.0	8.9	2.5	<b>-11.2</b>	
0.6	7.9	0.7	16.8	4.9	-7.6	11.0	7.8	1.0	-12.2	
0.0	2.8	0.5	12.3	2.4	-8.0	7.1	<b>7.8</b>	-1.5	-19.3	
-4.2	1.2	-1.1	10.7	2.0	-9.1	6.5	5.0	-3.3	-25.1	
-5.3	-1.4	-10.3	3.7	1.9	-9.5	6.3	-9.8	-5.3	-34.5	

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

Source: Vanguard calculations, data from 1 January 2012 to 31 December 2022, using data from Barclays Capital, Thompson Reuters Datastream and FactSet. Global equities as the FTSE All World Index, North American equities as the FTSE World North America Index, Emerging market equities as the FTSE All-World Emerging Index, Developed Asia equities as the FTSE All World Developed Asia Pacific Index, European equities as the FTSE All World Europe ex-UK Index, UK equities is defined as the FTSE All Share Index, UK government bonds as Bloomberg Sterling Gilt Index, UK index-linked gilts as Bloomberg UK Govt Inflation-Linked UK Index, UK investment grade corporate bonds as Bloomberg Sterling Aggregate Non-Gilts – Corporate Index, Hedged global bonds as Bloomberg Global Aggregate Index (hedged in GBP). Performance shown is cumulative and denominated in GBP. It includes the reinvestment of all dividends and any capital gains distributions. The performance data does not take account of the commissions and costs incurred in the issue and redemption of shares. Basis of fund performance NAV to NAV.

- Global equities
- North American equities
- Emerging market equities
- Developed Asia equities
- European equities
- LifeStrategy 60% Equity Fund (Net of expenses)
- UK equities
- UK government bonds
- UK index-linked gilts
- UK investment grade corporate bonds
- Hedged global bonds

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## Investment risk information

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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

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>

**If you have any questions related to your investment decision or the suitability or appropriateness for you of the product[s] described in this document, please contact your financial adviser.**

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