

Vanguard SustainableLife 40-50% Equity Fund

GBP Income Shares

Inception date: 08 December 2021

Total assets (million) £88 | Share class assets (million) £5 as at 31 May 2024

The Vanguard SustainableLife 40-50% Equity Fund is actively managed and does not intend to track or replicate performance of the benchmark. Benchmark data is for reference only.

Minimum initial investment*	ISIN	SEDOL	Bloomberg	Citi	MexID	SRRIR [†]	IA Sector	Investment structure	Index ticker	Domicile	Settlement	Trading frequency (cut-off)
100,000	GB00BMCQRX14	BMCQRX1	VAN45AI	HSST	VVAAAZ	4	—	UCITS	—	United Kingdom	T+2	Daily (12:00 London Time)

Management Charges

Ongoing Charges Figure* 0.48%

*The 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'.

Objectives and investment policy

- 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 from those investments as income.
- The Fund seeks to achieve its investment objective by investing in a combination of shares of companies (between 40-50% of the portfolio, with an expected allocation of 45%) and bonds (between 50-60% of the portfolio, with an expected allocation of 55%) selected in accordance with the Sustainability Policy set out below. The Fund's holdings in shares of companies may change by up to 5% either side of the stated expected allocation due to changing market conditions and prices.
- The Fund is an active fund whereby the Manager uses its expertise to pick investments to achieve the Fund's objectives. The Fund uses an independent sub-investment adviser (the "Manager") which follows a distinct approach in managing the Fund's investments.
- The Fund typically invests in a diverse range of large and mid-size companies chosen mainly on the basis of an investment approach that focuses on analysing individual shares rather than stock markets, producing a mix of investments in companies whose earnings are expected to grow faster than their peers in the market (known as 'growth stocks') and those that are considered to have been undervalued by the market (known as 'value stocks').
- The Fund may also have exposure to other collective investment schemes (which themselves invest in securities which are consistent with the Fund's objective and the Sustainability Policy), depository receipts, convertible securities, warrants, investments in real estate investment trusts, money market instruments and deposits.
- The performance of the Fund may be compared against the Composite Index*. The ACD considers that the combination of the indices within the Composite Index provide a benchmark that best reflects the investment strategy of the Fund as a means to assess the performance of the Fund. *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 (together, the "Composite Index").
- The Fund attempts to remain fully invested and hold small amounts of cash except in extraordinary market, political or similar conditions where the Fund may temporarily depart from this investment policy.
- The Fund may use derivatives (i.e. 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) in order to reduce risk or cost and/or generate extra income or growth (known as "efficient portfolio management").
- Sustainability Policy: The Manager excludes investments that fall within an exclusions policy (which for equities and corporate bonds excludes companies involved in and/or deriving revenue (above certain thresholds) from tobacco, thermal coal, oil sands, nuclear / controversial weapons), and then considers each company's alignment to the Fund's net zero emissions targets and conducts an assessment of good governance standards. Government bonds or other similar securities are not evaluated against sustainability criteria.

Investment manager

Vanguard Global Advisers, LLC
Wellington Management Company LLP

*The minimum initial investment of (Investor) Income and Accumulation shares or for anyone approaching Vanguard directly is £100,000.

[†]Synthetic Risk and Reward Indicator

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Data as at 31 May 2024 unless otherwise stated.

Performance summary

GBP—Vanguard SustainableLife 40-50% Equity Fund

Benchmark — 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

Annualised performance**	1 month	Quarter	Year to date	1 year	3 years	5 years	10 years	Since inception
Fund (Net of expenses)	1.31%	2.24%	2.94%	9.67%	—	—	—	1.78%
Benchmark	1.87%	1.64%	3.73%	11.49%	3.13%	5.74%	—	0.88%

**In this document the performance displayed for the Fund(s) and therefore relative performance to the benchmark index may be impacted by swing pricing. The NAV of a Fund may swing according to subscription/redemption activity so that transaction costs caused by these cashflows are not borne by the existing holders in a Fund. The benchmark index is not affected by swing pricing and therefore you may see tracking difference between the performance of the Fund and the benchmark.

Performance and Data is calculated on closing NAV as at 31 May 2024.

Past performance is not a reliable indicator of future results.

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include 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 is NAV to NAV. Basis of index performance is total return. All performance is calculated in GBP, net of fees.

Source: Vanguard; 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

Rolling 12-month performance



Income distribution

Taxed distribution	Ex-dividend date	Distribution date	Valuation point	Tax status
Gross	1 November	30 December	Underlying Market Close	UK Reporting

Key investment risks

The value of equities and equity-related securities can be affected by daily stock market movements. Other influential 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.

Sustainability risk. The Fund may not make possible investments if they do not meet the Fund's Sustainability Policy. This may affect the Fund's exposure to certain issuers and cause the Fund to forego certain investment opportunities.

Liquidity risk. Lower liquidity means there are insufficient buyers or sellers to allow the Fund to sell or buy investments readily.

Credit risk. The issuer of a financial asset held within the Fund may not pay income or repay capital to the Fund when due.

Inflation risk. The value of your investments may not be worth as much in the future due to changes in purchasing power resulting from inflation.

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.

Please also read the risk factors section in the prospectus and the Key Investor Information Document, both of which are available on the Vanguard website.

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Characteristics

	Fund	Benchmark
Number of stocks	82	2,076
Median market cap	£83.8B	£102.6B
Price/earnings ratio	17.4x	21.7x
Price/book ratio	2.2x	3.0x
Return on equity	15.6%	18.8%
Earnings growth rate	6.5%	14.6%
Turnover rate	328%	—
Equity yield (dividend)	3.0%	1.8%
Quoted Historic Yield	2.36%	—

The PTR (Portfolio Turnover Rate) approach considers the total security purchases and sales, the total subscriptions and redemptions and the average net assets of the fund to calculate the turnover figure. Data as at 30 April 2024.

Top 10 holdings

AstraZeneca plc	1.1%
Microsoft Corp.	1.1
TotalEnergies SE	1.1
Cisco Systems Inc.	1.0
Johnson & Johnson	1.0
Chubb Ltd.	1.0
Novartis AG	1.0
Merck & Co. Inc.	0.9
American Express Co.	0.9
JPMorgan Chase & Co.	0.9

Top 10 approximately equals 10.0% of net assets

Data as at 31 March 2024

Weighted exposure



Financials	18.4%	Energy	6.7%
Industrials	15.5	Utilities	6.7
Health Care	15.2	Telecommunications	5.4
Technology	9.3	Real Estate	3.2
Consumer Staples	9.2	Basic Materials	2.4
Consumer Discretionary	8.0		

Sector categories are based on the Industry Classification Benchmark system ("ICB"), except for the "Other" category (if applicable), which includes securities that have not been provided an ICB classification as of the effective reporting period.

Source: Vanguard

Glossary for fund characteristics

The fund characteristics section above contains a number of metrics that professional investors use to value individual stocks against a market or index average. These metrics can also be used to value and compare funds to the market by taking the average of all the stocks held in the fund and comparing them to those of the fund's benchmark index. We've provided a definition of the terms used for your convenience.

Median market cap (capitalisation) looks at all companies in a mutual fund portfolio and calculates the mid point market capitalisation. Market capitalisation represents the aggregate value of a company's stock.

Price earnings ratio (P/E ratio) of a stock is the price paid for a share divided by the annual profit earned by the firm per share. A stock with a price of £10 a share, and earnings last year of £1 a share, would have a P/E ratio of 10.

Price book ratio compares a stock's market value to its book value (the accounting value of a stock). It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share.

Return on equity is a measure of a company's profitability that reveals how much profit a company generates with the money shareholders have invested.

Earnings growth rate is a measure of growth in a company's net income (what remains after subtracting all the costs from a company's revenues) over a specific period (often one year). Earnings growth can apply to previous periods or estimated data for future periods.

Turnover rate is the total value of sales and purchases of stocks by a fund, less any subscriptions and redemptions monies into or out of a fund, expressed as a percentage of the fund's average value, over a specified period (usually one year).

Equity yield characteristics reflects distributions declared over the past twelve months as a percentage of the mid-market unit price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions.

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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.

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.

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 Fund may use derivatives, including for investment purposes, in order to reduce risk or cost and/or generate extra income or growth. For all other funds they will be used 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>.

For more information contact your local sales team or:

Web: <http://global.vanguard.com>

Transfer agent (Europe): Tel. 00 353 1241 7144

Adviser support: Tel. 0800 917 5508

Adviser support email: enquiries@vanguard.co.uk

Non advised personal investor email: Personal_investor_enquiries@vanguard.co.uk

Important information

This document is directed at professional investors and should not be distributed to, or relied upon by retail investors.

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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For investors in UK domiciled funds, a summary of investor rights can be obtained via

<https://www.vanguard.co.uk/content/dam/intl/europe/documents/en/Vanguard-InvestorsRightsSummaryUKFUNDSJan22.pdf> and is available in English.

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