

Low-cost active – 2019

# Vanguard Global Balanced Fund in a Nutshell

Vanguard Global Balanced Fund is an actively managed all-in-one solution that invests in a balance of equities and bonds.

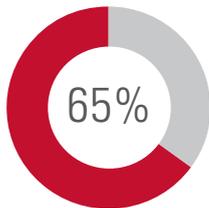
The fund is managed by Wellington Management and employs a conservative approach, using broad diversification to moderate risk in order to pursue three investment goals:

- **Conservation of capital** — maintaining 35% of assets in bonds reduces the fund’s exposure while the equity component aims to beat the market with lower risk and a quality bias.
- **Reasonable current income** — investing primarily in dividend-paying equity stocks and keeping intermediate-term maturity, investment-grade securities in the bond allocation positions the fund to generate a consistent, and potentially growing, income stream.

- **Profits without undue risk** — investing in a globally diversified, actively but conservatively managed, equity portfolio, gives the fund the opportunity to capture a portion of the higher returns that stocks have historically offered over the long term.

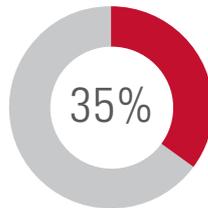
Wellington employs a bottom-up approach using fundamental research to identify shares from quality companies and thereby reduce the risk of poor market-timing decisions.

The fund intends to provide an all-weather portfolio with competitive returns in various market cycles. Consistent with its conservative orientation, the fund employs a target asset allocation of 65% shares and 35% bonds.



**65% equity portfolio**  
Designed for long-term capital appreciation aiming to outperform the market with a quality bias

+



**35% fixed income portfolio**  
High quality with an income focus, aiming to provide downside protection in stock market downturns

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**Vanguard Global Balanced Fund**  
A straight forward, liquid and highly effective diversified core growth exposure

## Key benefits



**Low-cost:** 0.48% versus a peer group average of 1.32%\*



**Balanced allocation:** 65% equity/35% fixed income



**Investment talent:** Managed by Wellington Management Company LLP

## About Vanguard

Vanguard has been helping investors reach their goals since 1975, growing into one of the world’s largest fund managers along the way. What sets us apart?

- **Client focus:** The Vanguard Group in the US is ultimately owned by its investors. This unique mutual structure aligns our interests with those of our clients.
- **Low-cost investing:** Providing low-cost investments isn’t a pricing strategy for us. It’s how we do business.
- **Stability and experience:** Our clients benefit from the expertise we’ve gained over the past 40 years.

\* Source: Morningstar: Mixed Investment 40-85% shares as at end September 2019.

## Vanguard low-cost active

Active managers aim to deliver excess returns that outweigh the fund's charges. We've made it easier for this equation to work by pricing our active funds competitively.

We leverage our scale and deep capabilities to identify and access both internal and external investment talent globally that might otherwise be out of reach to the average UK investor – all at low-cost and with the added benefit of Vanguard's robust oversight and due diligence.

Our active range is founded on three core principles:

- An ongoing commitment to driving down costs
- Unique access to a vast talent pool – both internal and external
- Designed for the long-term with clients in mind

Vanguard has a deep history of active management, having managed active funds since our beginning in 1975. Today, Vanguard is one of the largest active managers in the world.

## Vanguard and Wellington

Wellington Management has a significant global presence and long-term track record in nearly all sectors of the global securities markets.

The firm was founded in 1928 by Walter Morgan. He was one of the first investors to combine stocks and bonds together in a balanced fund – a strategy with a track record of over 90 years – surviving many market corrections from the great market crash of 1929 through to the 2008 global financial crisis.

Vanguard's relationship with Wellington Management traces its roots back to our inception in 1975, when the balanced fund was brought to Vanguard as our first fund offering. This partnership is one that has continued to thrive under our manager oversight and due diligence processes.

Today, Vanguard's Global Balanced Fund is run with a similar philosophy as the fund that originated in 1928.

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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.

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(s) may invest in financial derivative instruments that could increase or reduce exposure to underlying assets and result in greater fluctuations of the fund's Net Asset Value. Some derivatives give rise to increased potential for loss where the fund's counterparty defaults in meeting its payment obligations.

Some funds invest in securities which are denominated in different currencies. Movements in currency exchange rates can affect the return of investments.

### Important information

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The information contained in this document is not to be regarded as an offer to buy or sell or the solicitation of any offer to buy or sell securities in any jurisdiction where such an offer or solicitation is against the law, or to anyone to whom it is unlawful to make such an offer or solicitation, or if the person making the offer or solicitation is not qualified to do so. The information in this document is general in nature and does not constitute legal, tax, or investment advice. Potential investors are urged to consult their professional advisers on the implications of making an investment in, holding or disposing of units of, and the receipt of distribution from any investment.

The Authorised Corporate Director for Vanguard Investment Funds ICVC is Vanguard Investments UK, Limited. Vanguard Asset Management, Limited is a distributor of Vanguard Investment Funds ICVC.

For further information on the fund's investment policy, please refer to the Key Investor Information Document ("KIID"). The KIIDs for these funds are available, alongside the prospectus via Vanguard's website <https://global.vanguard.com/>.

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