

Factsheet | 31 December 2017

Vanguard Global Bond Index Fund

An index-related fund

Key fund facts

	Inception date	Minimum initial investment*	ISIN	SEDOL	Citi	MexID	Bloomberg
GBP							
Income Hedged	23.06.2009	100,000	IE00B2RHVP93	B2RHVP9	FPE0	VIGBLB	VANGRSI
Institutional Plus Income Hedged	02.09.2014	200,000,000	IE00BPT2BP36	BPT2BP3	KQ5V	VIAAHM	VAVGBPI
Accumulation Hedged	23.06.2009	100,000	IE00B50W2R13	B50W2R1	FPD9	VIGBBD	VANGRSA
Institutional Plus Accumulation Hedged	02.09.2014	200,000,000	IE00BPT2BQ43	BPT2BQ4	KQ5W	VIAAHN	VAVGBPA
Benchmark	Index ticker	Trading frequency (cut-off)		Settlement			
Bloomberg Barclays Global Aggregate Float Adjusted Bond Index Hedged in USD	LFGATRGH	Daily (12:00 Irish Time)		T+2			
Domicile	Investment structure	IA Sector		Valuation point			
Ireland	UCITS	Global Bonds		Underlying Market Close			
Base currency	Total assets†	Ex-dividend date		Distribution date			
USD	GBP (million) 7,033	31 March, 30 June, 30 September, 31 December		14 April, 14 July, 14 October, 14 January			
Investment manager	Taxed distribution		Tax status				
The Vanguard Group, Inc. U.S. Bond Index Team	Gross		UK Reporting				

Objective

The Fund seeks to provide returns consistent with the performance of the index, a market-weighted index of global government, government-related agencies, corporate and securitised fixed income investments.

Investment strategy

The Fund employs a passive management or indexing strategy designed to track the performance of the index. The Fund will invest by sampling the index, meaning that it will invest in a portfolio of securities that, insofar as possible and practicable, consists of a representative sample of the component securities of the index. This market-weighted index is designed to reflect the total universe of the major investment-grade and government bond markets with maturities greater than one year. All of the Fund's investments will be selected through the sampling process, and at least 90% of the Fund's assets will be invested in bonds held in the index.

Performance summary**

GBP—Vanguard Global Bond Index Fund

	Income Hedged shares	Accumulation Hedged shares
	Net of expenses	Net of expenses
December 2012 – 2013	-0.12%	-0.13%
December 2013 – 2014	7.97	7.97
December 2014 – 2015	1.25	1.25
December 2015 – 2016	3.51	3.52
December 2016 – 2017	1.99	1.99

Management Charge

Income/Accumulation AMC/OCF***	0.15%
Institutional Plus AMC/OCF***	0.10%

Fund Charges

Entry Charge††	—
††Assessed to compensate for Stamp Duty Reserve Tax related expenses.	

Distribution yield

Income	1.79%
Accumulation	1.79%

Performance**

GBP—Vanguard Global Bond Index Fund

Benchmark—Spliced Bloomberg Barclays Global Aggregate Float Adjusted Bond Index USD-Hedged

	Income Hedged shares			Accumulation Hedged shares		
	Net of expenses	Gross of expenses	Benchmark	Net of expenses	Gross of expenses	Benchmark
1 month	-0.10%	-0.09%	0.06%	-0.10%	-0.09%	0.06%
3 months	0.48	0.52	0.49	0.48	0.52	0.49
Year to date	1.99	2.15	2.04	1.99	2.15	2.04
1 year	1.99	2.15	2.04	1.99	2.15	2.04
3 years	2.25	2.40	2.35	2.25	2.40	2.35
5 years	2.88	3.06	3.00	2.88	3.07	3.00
Since inception	4.71	4.93	4.89	4.71	4.93	4.89

Key investment risks - Past performance is not a reliable indicator of future results. The value of investments, and the income from them, may fall or rise and investors may get back less than they invested. 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 and the level of income may fluctuate. Where investments are made in assets that are denominated in multiple currencies changes in exchange rates may affect the value of the investments.

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

**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 NAV to NAV with gross income reinvested. Basis of index performance is total return.

***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'.

†This figure represents the total fund assets inclusive of all share classes of the fund.

Spliced Bloomberg Barclays Global Aggregate Float Adjusted Bond Index USD-Hedged: The benchmark for this portfolio was Bloomberg Barclays Global Aggregate Bond Index until 30 June 2010, Bloomberg Barclays Global Aggregate Float Adjusted Bond Index until 31 March 2011 and Bloomberg Barclays Global Aggregate Float Adjusted Bond Index Hedged thereafter.

For further information on the fund's investment policy, please refer to the Key Investor Information Document ("KIID"). Vanguard Asset Management, Limited, only gives information on products and does not give investment advice based on individual circumstances. If you have any questions related to your investment decision or the suitability or appropriateness for you of the product described in this factsheet, please contact your financial adviser.

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Characteristics

	Fund	Benchmark
Number of bonds	9,348	21,126
Effective YTM	1.68%	1.73%
Average coupon	2.6%	2.8%
Average maturity	8.6 years	8.7 years
Average quality	AA-	AA-
Average duration	6.8 years	6.8 years
Cash investment	0.9%	—

Distribution by issuer (% of fund)

	Fund
Treasury/federal	52.0%
Corporate - industrials	11.5
Mortgage backed security pass-through	8.6
Corporate - financial institutions	7.8
Government-related - agencies	6.2
Securitised	3.6
Government-related - local authority	2.9
Government-related - supranationals	2.4
Corporate - utilities	1.7
Government-related - sovereign	1.4
Cash	0.9
Commercial mortgage backed security	0.7
Provincials/municipals	0.3
Total	100.0%

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.

Effective YTM (yield to maturity) is the rate of return an investor would receive if the fixed income securities held by a fund were held to their maturity dates.

Average coupon is the average interest rate paid on the fixed income securities held by a fund. It is expressed as a percentage of face value.

Average maturity is the average length of time until fixed income securities held by a fund reach maturity and are repaid, taking into consideration the possibility that the issuer may call the bond before its maturity date. The figure reflects the proportion of fund assets represented by each security, it also reflects any futures contracts held. In general, the longer the average effective maturity, the more a fund's share price will fluctuate in response to changes in market interest rates.

Average quality is an indicator of credit risk. This figure is the average of the ratings assigned to a fund's fixed income holdings by credit-rating agencies. The agencies make their judgment after appraising an issuer's ability to meet its obligations. Quality is graded on a scale, with Aaa or AAA indicating the most creditworthy bond issuers.

Average duration is an estimate of how much the value of the bonds held by a fund will fluctuate in response to a change in interest rates. To see how the value could change, multiply the average duration by the change in rates. If interest rates rise by 1 percentage point, the value of the bonds in a fund with an average duration of five years would decline by about 5%. If rates decrease by a percentage point, the value would rise by 5%.

Distribution yield reflects the amounts that may be expected to be distributed over the next twelve months as a percentage of mid-market unit price as at the date shown. It is based on a snapshot of the portfolio on that day. It does not include preliminary charge and investors may be subject to tax on distributions.

For more information contact your local sales team or:

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The value of Investments, and the income from them, may fall or rise and investors may get back less than they invested.

Vanguard Investment Series plc has been authorised by the Central Bank of Ireland as a UCITS and has been registered for public distribution in certain EU countries. Prospective investors are referred to the Funds' prospectus for further information. Prospective investors are also urged to consult their own professional advisers on the implications of making an investment in, and holding or disposing shares of the Funds and the receipt of distributions with respect to such shares under the law of the countries in which they are liable to taxation.

The Manager of Vanguard Investment Series plc is Vanguard Group (Ireland) Limited. Vanguard Asset Management, Limited is a distributor of Vanguard Investment Series plc.

For further information on the fund's investment policy, please refer to the Key Investor Information Document ("KIID"). The KIID and the Prospectus for this fund are available in local languages from Vanguard Asset Management, Limited via our website <https://global.vanguard.com/>.

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.

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Distribution by credit quality (% of fund)

	Fund
AAA	39.5%
AA	15.8
A	21.8
BBB	19.3
Not Rated	3.6
Total	100.0%

Credit-quality ratings for each issue are obtained from Barclays using ratings derived from Moody's Investors Service, Fitch Ratings, and Standard & Poor's. When ratings from all three agencies are available, the median rating is used. When ratings are available from two of the agencies, the lower rating is used. When one rating is available, that rating is used.

Distribution by credit maturity (% of fund)

	Fund
Under 1 Year	1.5%
1 - 5 Years	42.1
5 - 10 Years	33.4
10 - 15 Years	5.4
15 - 20 Years	5.3
20 - 25 Years	4.2
Over 25 Years	8.1
Total	100.0%

Top country diversification

	Fund
United States	39.7%
Japan	11.4
France	6.7
Germany	6.1
United Kingdom	4.9
Italy	4.5
Canada	3.7
Spain	3.0
Supranational	2.4
Australia	1.9
Total	84.3%