

This is a marketing communication.

**Factsheet** | 28 February 2022

# Vanguard ESG Global Corporate Bond UCITS ETF

CHF Hedged Distributing - An exchange-traded fund

Inception date: 20 May 2021

Total assets (million) CHF62 | Share class assets (million) CHF1 as at 28 February 2022

Key ETF facts	Exchange ticker	SEDOL	Reuters	Bloomberg	Bloomberg iNav	Valoren
<b>SIX Swiss Exchange</b> CHF	V3GH	BMV7ZD1	V3GH.S	V3GH SW	IV3GHCHF	59341100

Base currency	Tax reporting	SRRI†	Index ticker	Investment structure	Domicile
USD	UK Reporting	3	H35936CH	UCITS	Ireland

Legal entity	Investment method	ISIN	Dividends	Dividend schedule	Investment manager
Vanguard Funds plc	Physical	IE00BND51S60	Distributed	Monthly	Vanguard Global Advisers, LLC Global Fixed Income Team

Ongoing Charges Figure† 0.15%

†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 employs a "passive management" – or indexing – investment approach, through physical acquisition of securities, designed to track the performance of the Bloomberg MSCI Global Corporate Float-Adjusted Liquid Bond Screened Index (the "Index").
- The Index is constructed from the Bloomberg Global Aggregate Float Adjusted Corporate Index (the "Parent Index") which represents a multi-currency universe of investment grade corporate fixed-rate bonds from both developed and emerging markets issuers, which is then screened for certain environmental, social, and corporate governance criteria by the sponsor of the Index, which is independent of Vanguard.
- The Fund promotes environmental and social characteristics by excluding fixed income securities from its portfolio based on the impact of the issuer's conduct or products on society and / or the environment. This is met by tracking the Index.
- The Index excludes the bonds of issuers that MSCI, the Index provider's data source, determines engage in activities in, and/or derive revenue (above a threshold specified by the Index provider) from, certain business segments of the following: adult entertainment, alcohol, gambling, tobacco, nuclear weapons, controversial weapons, conventional weapons, civilian firearms, nuclear power, genetically modified organisms, or thermal coal, oil, or gas.
- The Index methodology also excludes the bonds of issuers that, as determined by MSCI, have no controversy score or a controversy score of less than one as defined by MSCI's ESG controversies assessment framework.
- Where MSCI has insufficient or no data available to adequately assess a particular issuer relative to the ESG criteria of the Index, such bonds of the issuer may not be excluded and shall remain constituents of the Index until such time as they may be determined to be ineligible by MSCI.
- In circumstances where the Fund holds securities which do not comply with the ESG requirements of the Index (including in circumstances where MSCI receives further data allowing it to determine that an issuer of a security does not meet the relevant ESG criteria of the Index), the Fund may hold such securities until such time as the relevant securities cease to form part of the Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.
- Company product and conduct involvement is monitored on a yearly basis by the Index provider and as new data is made available to the Index provider.
- In this regard, the Index is consistent with the characteristics promoted by the Fund.

This product promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics. This product has been classified as an Article 8 fund pursuant to the requirements of the EU SFDR.

‡ Synthetic Risk and Reward Indicator

**This document is for professional investors only (as defined under the MiFID II Directive) investing for their own account (including management companies (fund of funds) and professional clients investing on behalf of their discretionary clients). Not to be distributed to the public.**

# Vanguard ESG Global Corporate Bond UCITS ETF

## CHF Hedged Distributing - An exchange-traded fund

Data as at 28 February 2022 unless otherwise stated.

### Performance summary

CHF—Vanguard ESG Global Corporate Bond UCITS ETF

Benchmark — Bloomberg MSCI Global Corporate Float-Adjusted Liquid Bond Screened Index in CHF

This fund was launched on 20 May 2021.  
Performance data will be available after one  
year.

### Key investment risks

The value of bonds and fixed income-related securities is affected by influential factors such as interest rates, inflation, credit spreads and volatility which, in turn, are driven by other factors including 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.

Index tracking risk. The Fund is not expected to track the performance of the Index at all times with perfect accuracy. The Fund is, however, expected to provide investment results that, before expenses, generally correspond to the price and yield performance of the Index.

Index sampling risk. As the Fund uses an index sampling technique whereby a representative sample of securities are selected to represent the Index, there is the risk that the securities selected for the Fund may not, in the aggregate, approximate the full Index.

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

Environmental, Social and Governance risk. A Fund may track an index which screens out possible investments if they do not meet certain environmental, social and governance ('ESG') criteria. This may affect the Fund's exposure to certain issuers and cause the Fund to forego certain investment opportunities. The relevant Fund may perform differently to other funds, including underperforming funds that do not seek to screen investments in this way.

Accuracy risk. There is no assurance that the Index provider will compile the Index accurately or that the Index will be determined, composed or calculated correctly.

Unscheduled rebalancing risk. Apart from scheduled rebalances, the index provider may carry out additional ad hoc rebalances to the Benchmark Index in order for example, to correct an error in the selection of index constituents.

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.

**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.**

# Vanguard ESG Global Corporate Bond UCITS ETF

## CHF Hedged Distributing - An exchange-traded fund

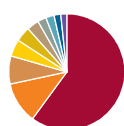
Data as at 28 February 2022 unless otherwise stated.

### Characteristics

	Fund	Benchmark
Number of bonds	1,793	5,652
Yield to worst	2.83%	2.82%
Average coupon	2.8%	2.6%
Average maturity	8.9 years	8.8 years
Average quality	A-	A-
Average duration	6.7 years	6.7 years
Cash investment*	0.4%	—
Turnover rate	0%	—

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 June 2021.

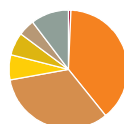
### Market allocation



United States	55.4%
United Kingdom	10.6
France	7.3
Germany	4.3
Canada	3.9

Japan	3.1%
Spain	2.2
Netherlands	2.1
Switzerland	1.7
Sweden	1.6

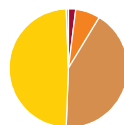
### Distribution by credit maturity (% of fund)



Under 1 Year	0.7%
1 - 5 Years	38.5
5 - 10 Years	32.9
10 - 15 Years	6.9
15 - 20 Years	6.2

20 - 25 Years	4.5%
Over 25 Years	10.3

### Distribution by credit quality (% of fund)



AAA	2.0%
AA	6.7
A	41.9
BBB	48.8
Not Rated	0.6

Credit-quality ratings for each issue are obtained from Bloomberg 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 issuer (% of fund)



Corporate - industrials	49.9%
Corporate - financial institutions	47.1
Corporate - utilities	1.4
Treasury/federal	1.2
Cash*	0.4

\*The allocations are subject to circumstances such as timing differences between trade and settlement dates of underlying securities, that may result in negative weightings. The fund may also employ certain derivative instruments for cash management or risk management purposes that may also result in negative weightings. Allocations are subject to change. Cash includes physical cash on the account, cash like instruments (such as ultra-short term treasury bonds) and derivative instruments.

Source: Vanguard

This product promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics. This product has been classified as an Article 8 fund pursuant to the requirements of the EU SFDR.

**This document is for professional investors only (as defined under the MiFID II Directive) investing for their own account (including management companies (fund of funds) and professional clients investing on behalf of their discretionary clients). Not to be distributed to the public.**

# Vanguard ESG Global Corporate Bond UCITS ETF

## CHF Hedged Distributing - An exchange-traded fund

### 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.

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.

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.

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.

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

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

### Glossary for ETF attributes

The ETF attributes section on the first page contains a number of metrics that professional investors use to value individual securities 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 securities 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.

**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%.

**Yield to worst** applies when the portfolio is invested into callable bonds. When it is not the case Yield to worst=Yield to maturity.

### For more information contact your local sales team or:

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

Client Services (Europe): Tel. +44 (0)203 753 4305

Email: [european\\_client\\_services@vanguard.co.uk](mailto:european_client_services@vanguard.co.uk)

Non advised personal investor: [Personal\\_investor\\_enquiries@vanguard.co.uk](mailto:Personal_investor_enquiries@vanguard.co.uk)

### Important information

**This document is for professional investors only (as defined under the MiFID II Directive) investing for their own account (including management companies (fund of funds) and professional clients investing on behalf of their discretionary clients). Not to be distributed to the public.**

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 shares of, and the receipt of distribution from any investment.

Vanguard Funds plc has been authorised by the Central Bank of Ireland as a UCITS and has been registered for public distribution in certain EEA countries and the UK. 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 Funds plc is Vanguard Group (Ireland) Limited. Vanguard Asset Management Limited is the distributor of Vanguard Funds plc.

For further information on the fund's investment policies, please refer to the Key Investor Information Document ("KIIDs"). The KIID for this fund is available in local languages, alongside the prospectus via Vanguard's website <https://global.vanguard.com/>.

The Indicative Net Asset Value ("iNAV") for Vanguard's ETFs is published on Bloomberg or Reuters. Refer to the Portfolio Holdings Policy at <https://global.vanguard.com/portal/site/portal/ucits-documentationfor> holdings information.

Vanguard Group (Ireland) Limited (VGIL) has implemented the EU Sustainable Finance Disclosure Regulation (EU) 2019/2088 ("EU SFDR"). Vanguard has introduced an internal product classification framework that helps to identify whether certain Vanguard funds promote, among other characteristics, environmental and/or social characteristics, or whether a fund has sustainable investment as its objective. VGIL as appropriate, is required to disclose information about its policies on the integration of sustainability risks in its investment decision making process. VGIL has a transition plan in place to assess and implement as appropriate principal adverse sustainability impacts into the investment process and intends to implement this by 1 July 2022 (or such later date as the regulatory technical standards to be adopted by the European Commission pursuant to Article 4(6) of the Regulation become effective) and will keep this implementation date under review.

Any decision to make an investment into the fund(s) referred to in this document should take into account all the characteristics or objectives of the fund(s) as described in the prospectus.

BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL") (collectively, "Bloomberg"), or Bloomberg's licensors own all proprietary rights in the Bloomberg Indices.

The products are not sponsored, endorsed, issued, sold or promoted by "Bloomberg." Bloomberg makes no representation or warranty, express or implied, to the owners or purchasers of the products or any member of the public regarding the advisability of investing in securities generally or in the products particularly or the ability of the Bloomberg Indices to track general bond market performance. Bloomberg shall not pass on the legality or suitability of the products with respect to any person or entity. Bloomberg's only relationship to Vanguard and the products are the licensing of the Bloomberg Indices which are determined, composed and calculated by BISL without regard to Vanguard or the products or any owners or purchasers of the products. Bloomberg has no obligation to take the needs of the products or the owners of the products into consideration in determining, composing or calculating the Bloomberg Indices. Bloomberg shall not be responsible for and has not participated in the determination of the timing of, prices at, or quantities of the products to be issued. Bloomberg shall not have any obligation or liability in connection with the administration, marketing or trading of the products.

SEDOL and SEDOL Masterfile® are registered trademarks of the London Stock Exchange Group PLC.

*SEDOL Data has been provided from the London Stock Exchange's SEDOL Masterfile®.*