Vanguard

Vanguard UCITS ETF strategic model portfolios

Third Quarter 2021

Broadly diversified, low-cost index portfolios from an indexing leader

Vanguard UCITS ETF model portfolios offer a strategic asset allocation framework to help build diversified portfolios to meet investor needs. Using low-cost Vanguard UCITS ETFs, our well-diversified portfolios provide broad access to the global equity and fixed income markets.*

These portfolios reflect our conviction that investment success relies on asset allocation, broad diversification, and low costs. Our portfolios offer many benefits:

- Gain broad-market exposure to global equities and global investment-grade fixed income products.
- Achieve diversification across both asset classes, through the underlying Vanguard ETFs that seek to track broad-market or market-segment indexes.
- Mitigate active manager risk.
- Keep costs low relative to the average actively managed investment strategy.
- Distributing and accumulating options available, including 100% accumulating UCITS ETF models.
- Benefit from Vanguard's 40+ years of experience in portfolio construction and indexing.
- Simplify investing, and spend more time with your clients.

*Model portfolios may only be provided to sophisticated and institutional investors and are not available for the general public.

Leveraging our experience as an indexing leader

Vanguard strategic model portfolios are created and maintained by our Investment Strategy Group, which is responsible for overseeing Vanguard's investment methodology, including portfolio construction and asset allocation modeling.

The group draws from Vanguard's broad and deep experience as an indexing pioneer to ensure that our model portfolios follow our investment philosophy. We believe that investors maximize their chance of success when they:

- Select and stick with asset allocations that reflect their goals, tolerance for risk, and time horizons.
- Diversify broadly within each asset class.
- Limit the costs of investing.

Strategist commentary

As a strong third quarter approached the finish, investors reacted negatively in the last few days to a potential Chinese real estate debt bomb, Washington's fumbling with its debt ceiling, and the Federal Reserve's signal that it might begin tapering asset buybacks as soon as November—a move widely seen as a precursor to eventual tightening.

Highlights

- The Standard & Poor's 500 Index ended the third quarter up 0.6%, after hitting record highs just weeks earlier. The broader CRSP US Total Market Index was just underwater, at –0.1%.
- U.S. fixed income markets took the same ride, with higher interest rates in late September wiping out strong July gains.
- International bonds fared similarly, ending the quarter at 0.0%.

Vanguard

Mixed outlook, mixed results

Investors' sentiment in the quarter had been largely positive, with the market shrugging off the business effects of the COVID-19 Delta variant given the absence of lockdowns. But in September, investors switched to defense in view of an increasingly mixed outlook for economic growth. Big tech stocks benefited from a late-quarter rotation away from cyclical names, and large-capitalization stocks in general outperformed small-caps.

Across major equity sectors, winners and losers were divided roughly evenly, with financials leading the way. Growth stocks bested value stocks in the third quarter, as they had in the second quarter.

Asset classes at glance[1]

For the quarter ended September 30, 2021

	Average return
U.S. equities	-0.1%
U.S. bonds	0.1%
International equities	-2.4%
International bonds	0.0%

1 Returns are in U.S. dollars. Benchmarks referenced: U.S. equities, CRSP US Total Market Index; U.S. bonds, Bloomberg U.S. Aggregate Float Adjusted Index; international equities, FTSE Global All Cap ex US Index; international bonds, Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged).

Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Performance drivers and detractors[1]

In a quarter that ended mostly flat for all stock and bond sectors, international equities (–2.4%) detracted from Vanguard model returns, with developed ex-U.S. markets (–1.0%) leading emerging markets (–6.6%), as the latter continued to struggle with COVID-19 lockdowns in the absence of widespread vaccine availability.

In the busiest half-year on record for worldwide initial public offerings and mergers and acquisitions activity (source: Refinitiv), financials (+3.0%) was the quarter's best-performing sector in the U.S., while industrials (–4.0%) was the worst-performing sector.

Large-cap growth stocks (+1.2%) were the best-performing equity style box in the U.S. and small-cap growth stocks (–5.7%) were the biggest detractor. Large-cap stocks (+0.2%) outperformed small-cap stocks (–4.4%), and growth stocks (+0.7%) outperformed value stocks (–0.9%).

Fixed income gains (if any) were minimal across the board during the third quarter, with higher-quality fixed income securities generally performing better than lower-quality securities. In the U.S., Treasuries (+0.1%), long duration (+0.1%), and mortgage-backed securities (+0.1%) were the best performers, while longer-duration corporates (–0.1%) were the largest detractor. Emerging markets bonds were down in the quarter (–0.5%), and municipal bonds were also slightly negative (–0.4%).

U.S. equities

With stocks generally flat over the period, size and style made the difference. Small-caps underperformed the asset class (–4.4%), with small-cap growth trending even lower (–6.6%).

U.S. bonds

Fixed-income returns were also virtually unchanged at quarter's end, as the market digested mixed economic data and the Fed's apparently imminent tapering of its buyback program.

International equities

International equities (–2.4%) was the worst performing of the four major asset classes, with emerging markets returning –6.6%.

International bonds

In another flat asset class, emerging markets bonds were the laggards (–0.5%).

Sectors

Financials were up (3.0%), thanks in part to surging deal activity.

Industrials lagged (–4.0%) amid growing questions about a straight-line pandemic recovery.

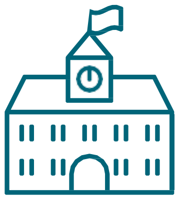
1 Benchmarks referenced: international stocks: FTSE Global All Cap ex US Index; developed ex-U.S. equities: FTSE Developed ex North America Index; emerging markets stocks: FTSE Emerging Index; U.S. financial and industrial stocks: MSCI Financials and MSCI Industrials Indexes, respectively; U.S. large- and small-cap growth stocks: Russell 1000 Growth and Russell 2000 Growth indexes, respectively; U.S. large- and small-cap stocks: Russell 1000 and Russell 2000 indexes, respectively; U.S. growth and value stocks: Russell 3000 Growth and Russell 3000 Value indexes, respectively. U.S. Treasuries: Bloomberg U.S. Treasury Index; long-duration bonds: Bloomberg U.S. Long Government/Credit Float Adjusted Index; mortgage-backed securities: Bloomberg U.S. MBS Float Adjusted Index; intermediate-duration bonds: Bloomberg U.S. 1–5 Year Government/Credit Float Adjusted Index; emerging markets bonds: JP Morgan Emerging Markets Bond Index; and municipal bonds: S&P National AMT-Free Municipal Bond Index.

All eyes on Delta

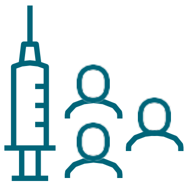
While the human toll of the COVID-19 Delta variant continues to be of concern, its economic impact on the United States has dampened, but not reversed, growth trends. China, however, is another story.

The U.S. economy

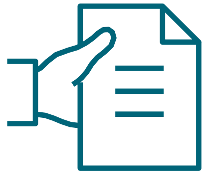
Full-year real GDP growth is on track to reach our target range of 7.0% to 7.5%. In addition, we expect a strong upswing in employment in the coming months, paving the way for a full labor market recovery by mid-2022. Contributing factors include:



- Schools' reopening, which should enable more current stay-at-home parents to return to work.



- Increasing vaccination rates, in part because of the federal mandate covering about two-thirds of all U.S. workers.



- The expiration of enhanced unemployment benefits.

Together, these developments should push the jobless rate, currently at 5.4%, toward the mid-4.0% range by year-end.

Outside the U.S.

China: Indicators of economic activity in China weakened in the third quarter, hit by the spread of the COVID-19 Delta variant and related lockdowns, flooding in central China, and the delayed effects of recent policy tightening.

Vanguard has downgraded its expectation for third-quarter real GDP growth in China from an annual rate of 1.0% to 0.5%. We anticipate China's full-year economic growth will come in just below 8.5%.

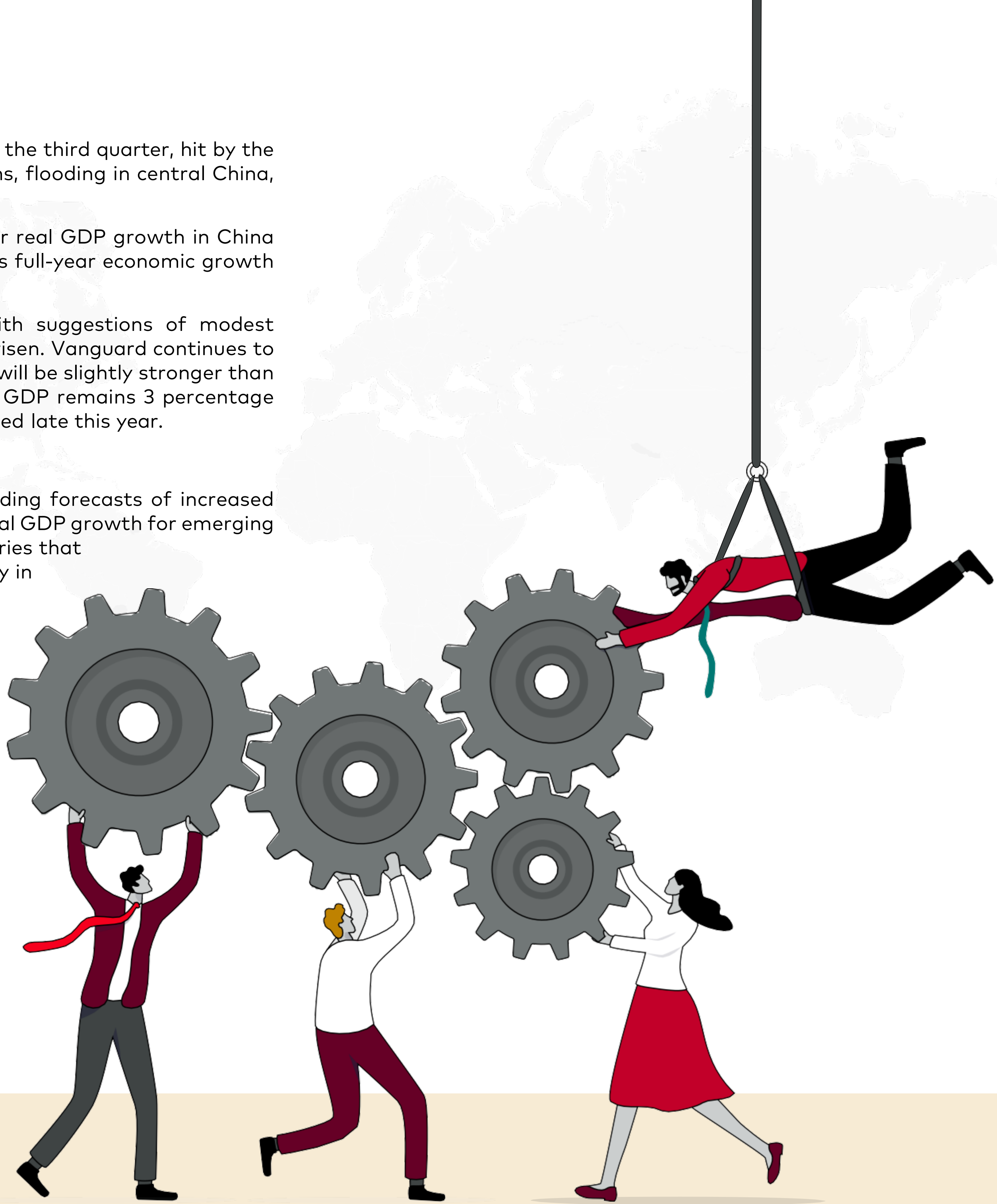
Euro area: Growth momentum here remains strong, with suggestions of modest softening where cases of the COVID-19 Delta variant have risen. Vanguard continues to expect that euro area real GDP growth in the third quarter will be slightly stronger than in the second and that full-year growth could reach 5.0%. GDP remains 3 percentage points below its pre-pandemic level, a gap that may be erased late this year.

Emerging markets

Any prospects for accelerated growth remain on hold pending forecasts of increased vaccine production this winter. Vanguard expects full-year real GDP growth for emerging markets will be above 6.0%. We'll be closely watching countries that have had the most success in warding off COVID-19, notably in Asia, as they have the greatest risk of further lockdowns.

The Federal Reserve and inflation

Although the Fed considers inflation at recent levels as transitory, it thinks inflation risks are skewed to the upside. Vanguard believes the Fed will want to see further labor market gains in the months ahead before it starts paring its asset purchases—and we believe the Fed will indeed see those gains. We anticipate inflation will remain above the Fed's 2% target until the spring of 2022.



Model Portfolios Description

UCITS Core ETF Portfolios

The Vanguard UCITS Core ETF strategic model portfolios provide with a highly diversified and balanced investment portfolio using broad market equity and fixed income indexes, while making implementation simple and cost-effective.

UCITS Simplified ETF Portfolios

The Vanguard UCITS Core ETF strategic model portfolios provide with a highly diversified and balanced investment portfolio using broad market equity and fixed income indexes, while making implementation simple and cost-effective.

UCITS Detailed ETF Portfolios*

The Vanguard UCITS Detailed ETF strategic model portfolios provide with a highly diversified and balanced investment portfolio using broad market equity and fixed income indexes, while allowing advisors the opportunity to have more control over their portfolio allocations.

UCITS Income Tilt ETF Portfolios

The Vanguard Income Tilt ETF strategic model portfolios provide a highly diversified and balanced investment portfolio using broad equity and fixed income indexes, for clients seeking income generation from their portfolio.

Connect with Vanguard®

Important information

The information contained herein does not constitute an offer or solicitation and may not be treated as such an offer solicitation 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. Broker-dealers, advisors and other intermediaries must determine whether their clients are eligible for investment in the products discussed herein.

All investing is subject to risk, including the possible loss of the money you invest. Diversification does not ensure a profit or protect against a loss.

Please remember that all investments involve some risk. Be aware that fluctuations in the financial markets and other factors may cause declines in the value of your account. There is no guarantee that any particular asset allocation or mix of funds will meet your investment objectives or provide you with a given level of income.

Model performance is hypothetical and is being provided for illustrative purposes only, and should not be considered a recommendation to buy or sell any securities or investment advice. As the model portfolio is hypothetical in nature, it is meant to serve solely as a guideline and should not be considered an indication of actual performance. The model assumes a global market-cap-weighted allocation to broadly diversified equity and fixed income indexes. In the case of the income model, we have implemented a 75% dividend/corporate tilt to allow for greater income generation. The model portfolio shown is comprised of benchmarks for which direct investment is not possible. The model returns are calculated based solely on the underlying positions and are rebalanced monthly. Additionally, the performance shown for the model portfolio does not reflect the impact that material economic and market factors had or might have had on decision making if actual investor money had been managed. Accordingly, actual portfolio results may vary significantly from model performance.

The model is generated using Morningstar Direct, incorporating globally recognized diversified benchmarks to represent the underlying asset class exposures. Vanguard pays Morningstar Direct to produce the model data. This model has an income tilt, which weights high-dividend equity securities and USD corporate bonds at 75% in their respective equity and fixed income allocation. The high-dividend equity exposure is represented by the FTSE AW High Dividend Yield NR USD index, and the U.S. corporate bond exposure is represented by Bloomberg Barclays Global Aggregate Corporate—United States Dollar Index.

The backtest uses weights as of September 30, 2020 and rebalances monthly to the same weights. All dividends, interest, and capital gains are reinvested.

ETF Shares can be bought and sold only through a broker and cannot be redeemed with the issuing fund. Investing in ETFs entails stockbroker commission and a bid-offer spread which should be considered fully before investing. The market price of ETF Shares may be more or less than net asset value.

Vanguard does not, and will not, make any representations about the suitability of a model portfolio for any investor; is not, and will not be, responsible for the suitability of a model portfolio for any investor; and is not acting as an investment advisor to any investor.

The "S&P 500" is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by Vanguard. Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); S&P® and S&P 500® are trademarks of S&P; and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by Vanguard. Vanguard's S&P 500 is not sponsored, endorsed, sold, or promoted by SPDJI, Dow Jones, S&P, or their respective affiliates and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500.

London Stock Exchange Group companies include FTSE International Limited ("FTSE"), Frank Russell Company ("Russell"), MTS Next Limited ("MTS") and FTSE TMX Global Debt Capital Markets Inc. ("FTSE TMX"). All rights reserved.

"FTSE®", "Russell®", "MTS®", "FTSE TMX®" and "FTSE Russell" and other service marks and trademarks related to the FTSE or Russell indexes are trademarks of the London Stock Exchange Group companies and are used by FTSE, MTS, FTSE TMX and Russell under licence. All information is provided for information purposes only.

No responsibility or liability can be accepted by the London Stock Exchange Group companies nor its licensors for any errors or for any loss from use of this publication. Neither the London Stock Exchange Group companies nor any of its licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE Indexes or the fitness or suitability of the Indexes for any particular purpose to which they might be put.

Factor funds are subject to investment style risk, which is the chance that returns from the types of stocks in which the fund invests will trail returns from U.S. stock markets. Factor funds are subject to manager risk, which is the chance that poor security selection will cause the fund to underperform relevant benchmarks or other funds with a similar investment objective.

CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.

CGS identifiers have been provided by CUSIP Global Services, managed on behalf of the American Bankers Association by Standard & Poor's Financial Services, LLC, and are not for use or dissemination in a manner that would serve as a substitute for any CUSIP service. The CUSIP Database, ©2020 American Bankers Association. "CUSIP" is a registered trademark of the American Bankers Association.

London Stock Exchange Group companies include FTSE International Limited ("FTSE"), Frank Russell Company ("Russell"), MTS Next Limited ("MTS"), and FTSE TMX Global Debt Capital Markets Inc. ("FTSE TMX"). All rights reserved. "FTSE®", "Russell®", "MTS®", "FTSE TMX®" and "FTSE Russell" and other service marks and trademarks related to the FTSE or Russell indexes are trademarks of the London Stock Exchange Group companies and are used by FTSE, MTS, FTSE TMX and Russell under license. All information is provided for information purposes only. No responsibility or liability can be accepted by the London Stock Exchange Group companies nor its licensors for any errors or for any loss from use of this publication.

Neither the London Stock Exchange Group companies nor any of their licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE Indexes or the fitness or suitability of the Indexes for any particular purpose to which they might be put.

The DAX Index is the intellectual property (including registered trademarks) of Deutsche Borse AG "DBAG", Deutsche Borse Group or their licensors, which is used under license. Vanguard DAX UCITS ETF is neither sponsored nor promoted, distributed or in any other manner supported by DBAG, Deutsche Borse Group or their licensors, research partners or data providers and DBAG, Deutsche Borse Group and their licensors, research partners or data providers do not give any warranty, and exclude any liability (whether in negligence or otherwise) with respect thereto generally or specifically in relation to any errors, omissions or interruptions in the DAX Index or its data.

The EURO STOXX 50 Index is the intellectual property (including registered trademarks) of STOXX Limited, Zurich, Switzerland ("STOXX'), Deutsche Borse Group or their licensors, which is used under license, Vanguard EURO STOXX 50 UCITS ETF is neither sponsored nor promoted, distributed or in any other manner supported by STOXX, Deutsche Borse Group or their licensors, research partners or data providers and STOXX, Deutsche Borse Group and their licensors, research partners or data providers do not give any warranty, and exclude any liability (whether in negligence or otherwise) with respect thereto generally or specifically in relation to any errors, omissions or interruptions in the EURO STOXX 50 Index or its data.

The index is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by Vanguard. Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); S&P® and S&P 500® are trademarks of S&P; and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by Vanguard. Vanguard product(s) are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, or their respective affiliates and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the index.

The Russell Indexes and Russell are registered trademarks of Russell Investments and have been licensed for use by The Vanguard Group, Inc. The Products are not sponsored, endorsed, sold or promoted by Russell Investments and Russell Investments makes no representation regarding the advisability of investing in the Products.

The funds or securities referred to herein are not sponsored, endorsed, or promoted by MSCI, and MSCI bears no liability with respect to any such funds or securities. The prospectus or the Statement of Additional Information contains a more detailed description of the limited relationship MSCI has with Vanguard and any related funds.

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard and Poor's, a division of McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by Vanguard. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classification makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of its affiliates or any third party involved in making or compiling the GICS or any GICS classification have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. BARCLAYS® is a trademark and service mark of Barclays Bank Plc, used under license. 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 Barclays Indices.

The products are not sponsored, endorsed, issued, sold or promoted by Bloomberg or Barclays. Bloomberg and Barclays make 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 Barclays Indices to track general bond market performance. Neither Bloomberg nor Barclays has passed 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 Barclays 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 Barclays Indices. Neither Bloomberg nor Barclays is responsible for and has not participated in the determination of the timing of, prices at, or quantities of the products to be issued. Neither Bloomberg nor Barclays has any obligation or liability in connection with the administration, marketing or trading of the products.

VIGM, S.A. de C.V. Asesor en Inversiones Independiente ("Vanguard Mexico") registration number: 30119-001-(14831)-19/09/2018. The registration of Vanguard Mexico before the Comisión Nacional Bancaria y de Valores ("CNBV") as an Asesor en Inversiones Independiente is not a certification of Vanguard Mexico's compliance with regulation applicable to Advisory Investment Services (Servicios de Inversión Asesorados) nor a certification on the accuracy of the information provided herein. The supervision scope of the CNBV is limited to Advisory Investment Services only and not to all services provided by Vanguard Mexico.

This material is solely for informational purposes and does not constitute an offer or solicitation to sell or a solicitation of an offer to buy any security, nor shall any such securities be offered or sold to any person, in any jurisdiction in which an offer, solicitation, purchase or sale would be unlawful under the securities law of that jurisdiction. Reliance upon information in this material is at the sole discretion of the reader.

Securities information provided in this document must be reviewed together with the offering information of each of the securities which may be found on Vanguard's website: https://www.vanguardmexico.com/web/cf/mexicoinstitutional/en/home or www.vanguard.com

Securities information provided in this document must be reviewed together with the offering information of each of the securities which may be found on Vanguard's website: https://www.vanguardmexico.com/web/cf/mexicoinstitutional/en/home or www.vanguard.com

Vanguard Mexico may recommend products of The Vanguard Group Inc. and its affiliates and such affiliates and their clients may maintain positions in the securities recommended by Vanguard Mexico.

ETF Shares can be bought and sold only through a broker and cannot be redeemed with the issuing fund other than in very large aggregations. Investing in ETFs entails stockbroker commission and a bid-offer spread which should be considered fully before investing. The market price of ETF Shares may be more or less than net asset value.

All investments are subject to risk, including the possible loss of the money you invest. Investments in bond funds are subject to interest rate, credit, and inflation risk. Governmental backing of securities apply only to the underlying securities and does not prevent share-price fluctuations. High-yield bonds generally have mediumand lower-range credit quality ratings and are therefore subject to a higher level of credit risk than bonds with higher credit quality ratings.

There is no guarantee that any forecasts made will come to pass. Past performance is no guarantee of future results.

Prices of mid- and small-cap stocks often fluctuate more than those of large-company stocks. Funds that concentrate on a relatively narrow market sector face the risk of higher share-price volatility. Stocks of companies are subject to national and regional political and economic risks and to the risk of currency fluctuations, these risks are especially high in emerging markets. Changes in exchange rates may have an adverse effect on the value, price or income of a fund.

The information contained in this material derived from third-party sources is deemed reliable, however Vanguard Mexico and The Vanguard Group Inc. are not responsible and do not guarantee the completeness or accuracy of such information.

This document should not be considered as an investment recommendation, a recommendation can only be provided by Vanguard Mexico upon completion of the relevant profiling and legal processes.

This document is for educational purposes only and does not take into consideration your background and specific circumstances nor any other investment profiling circumstances that could be material for taking an investment decision. We recommend to obtain professional investment advice based on your individual circumstances before taking an investment decision.

These materials are intended for institutional and sophisticated investors use only and not for public distribution.

Materials are provided only for their exclusive use and shall not be distributed to any other individual or entity. Broker- dealers, advisers, and other intermediaries must determine whether their clients are eligible for investment in the products discussed herein.

The information contained herein does not constitute an offer or solicitation and may not be treated as such in any jurisdiction where such an offer or solicitation is against the law, or to anyone for 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.

This document refers to model portfolios in accordance with section 4.1, paragraph 3 "Portafolios Modelo" of Vanguard Mexico's Investment Services Guide and should not be considered as an investment recommendation, a recommendation can only be provided by Vanguard Mexico upon completion of relevant profiling and legal processes.
Model portfolios can only be provided to sophisticated and institutional investors, and are not available for the general public.

This document does not constitute, and is not intended to constitute, a public offer in the Republic of Colombia, or an unlawful promotion of financial/capital market products. The offer of the financial products described herein is addressed to fewer tan one hundred specifically identified investors. The financial products described herein may not be promoted or marketed in Colombia or to Colombian residents, unless such promotion and marketing is made in compliance with Decree 2555/2010 and other applicable rules and regulations related to the promotion of foreign financial/capital market products in Colombia.

The Product is not and will not be registered before the Colombian National Registry of Securities and Issuers (Registro Nacional de Valores y Emisores - RNVE) maintained by the Colombian Financial Superintendency, or before the Colombian Stock Exchange. Accordingly, the distribution of any documentation in regard to the financial products described here in will not constitute a public offering of securities in Colombia.

The financial products described herein may not be offered, sold or negotiated in Colombia, except under circumstances which do not constitute a public offering of securities under applicable Colombian securities laws and regulations; provided that, any authorized person of a firm authorized to offer foreign securities in Colombia must abide by the terms of Decree 2555/2010 to offer the such products privately to its Colombian clients.

The distribution of this material and the offering of shares may be restricted in certain jurisdictions. The information contained in this material is for general guidance only, and it is the responsibility of any person or persons in possession of this material and wishing to make application for shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for shares should inform themselves of any applicable legal requirements, exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile.

This offer conforms to General Rule No. 336 of the Chilean Financial Market Commission (Comisión para el Mercado Financiero). The offer deals with securities not registered under Securities Market Law, nor in the Securities Registry nor in the Foreign Securities Registry of the Chilean Financial Market Commission, and therefore such securities are not subject to its oversight. Since such securities are not registered in Chile, the issuer is not obligated to provide public information in Chile regarding the securities. The securities shall not be subject to public offering unless they are duly registered in the corresponding Securities Registry in Chile. The issuer of the securities is not registered in the Registries maintained by the Chilean Financial Market Commission, therefore it is not subject to the supervision of the Chilean Financial Market Commission or the obligations of continuous information.

Esta oferta se acoge a la norma de carácter general n° 336 de la Comisión para el Mercado Financiero. La oferta versa sobre valores no inscritos bajo la Ley de Mercado de Valores en el Registro de Valores o en el Registro de Valores extranjeros que lleva la Comisión para el Mercado Financiero, por lo que tales valores no están sujetos a la fiscalización de ésta. Por tratarse de valores no inscritos, no existe la obligación por parte del emisor de entregar en Chile información pública respecto de esos valores. Los valores no podrán ser objeto de oferta pública mientras no sean inscritos en el Registro de Valores correspondiente. El emisor de los valores no se encuentra inscrito en los Registros que mantiene la Comisión para el Mercado Financiero, por lo que no se encuentra sometido a la fiscalización de la Comisión para el Mercado financiero ni a las obligaciones de información continua.

The securities described herein have not been registered under the Peruvian Securities Market Law (Decreto Supremo No 093-2002-EF) or before the Superintendencia del Mercado de Valores (SMV). There will be no public offering of the securities in Peru and the securities may only be offered or sold to institutional investors (as defined in Appendix I of the Institutional Investors Market Regulation) in Peru by means of a private placement. The securities offered and sold in Peru may not be sold or transferred to any person other than an institutional investor unless such securities have been registered with the Registro Público del Mercado de Valores kept by the SMV. The SMV has not reviewed the information provided to the investor. This material is for the exclusive use of institutional investors in Peru and is not for public distribution.

The financial products describe herein may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act 2003 of Bermuda. Additionally, non-Bermudian persons may not carry on or engage in any trade or business in Bermuda unless such persons are authorized to do so under applicable Bermuda legislation. Engaging in the activity of offering or marketing the Products in Bermuda to persons in Bermuda may be deemed to be carrying on business in Bermuda.

Vanguard is not intending, and is not licensed or registered, to conduct business in, from or within the Cayman Islands, and the interests in the financial products described herein shall not be offered to members of the public in the Cayman Islands.

The financial products describe herein have not been and will not be registered with the Securities Commission of The Bahamas. The financial products described herein are offered to persons who are non-resident or otherwise deemed non-resident for Bahamian Exchange Control purposes. The financial products described herein are not intended for persons (natural persons or legal entities) for which an offer or purchase would contravene the laws of their state (on account of nationality or domicile/registered office of the person concerned or for other reasons). Further, the offer constitutes an exempt distribution for the purposes of the Securities Industry Act, 2011 and the Securities Industry Regulations, 2012 of the Commonwealth of The Bahamas.

This document is not, and is not intended as, a public offer or advertisement of, or solicitation in respect of, securities, investments, or other investment business in the British Virgin Islands ("BVI"), and is not an offer to sell, or a solicitation or invitation to make offers to purchase or subscribe for, any securities, other investments, or services constituting investment business in BVI. Neither the securities mentioned in this document nor any prospectus or other document relating to them have been or are intended to be registered or filed with the Financial Services Commission of BVI or any department thereof.

This document is not intended to be distributed to individuals that are members of the public in the BVI or otherwise to individuals in the BVI. The funds are only available to, and any invitation or offer to subscribe, purchase, or otherwise acquire such funds will be made only to, persons outside the BVI, with the exception of persons resident in the BVI solely by virtue of being a company incorporated in the BVI or persons who are not considered to be "members of the public" under the Securities and Investment Business Act, 2010 ("SIBA").

Any person who receives this document in the BVI (other than a person who is not considered a member of the public in the BVI for purposes of SIBA, or a person resident in the BVI solely by virtue of being a company incorporated in the BVI and this document is received at its registered office in the BVI) should not act or rely on this document or any of its contents.

The sale of the product described herein qualifies as a private placement pursuant to section 2 of Uruguayan law 18.627. Vanguard represents and agrees that it has not offered or sold, and will not offer or sell, any product to the public in Uruguay, except in circumstances which do not constitute a public offering or distribution under Uruguayan laws and regulations. This product is not and will not be registered with the Central Bank of Uruguay to be publicly offered in Uruguay. The product or products described herein are not investment funds regulated by Uruguayan law 16,774 dated 27 September 1996, as amended from time to time.

This document does not constitute an offer or solicitation to invest in the securities mentioned herein. It is directed at professional / sophisticated investors in the United States for their use and information. The Fund is only available for investment by non-U.S. investors, and this document should not be given to a retail investor in the United States. Any entity responsible for forwarding this material, which is produced by VIGM, S.A. de C.V., Asesor de Inversiones Independiente in Mexico, to other parties takes responsibility for ensuring compliance with applicable securities laws in connection with its distribution.

FASINVMP_A 042020
1390037 DOLU 10/28/2021