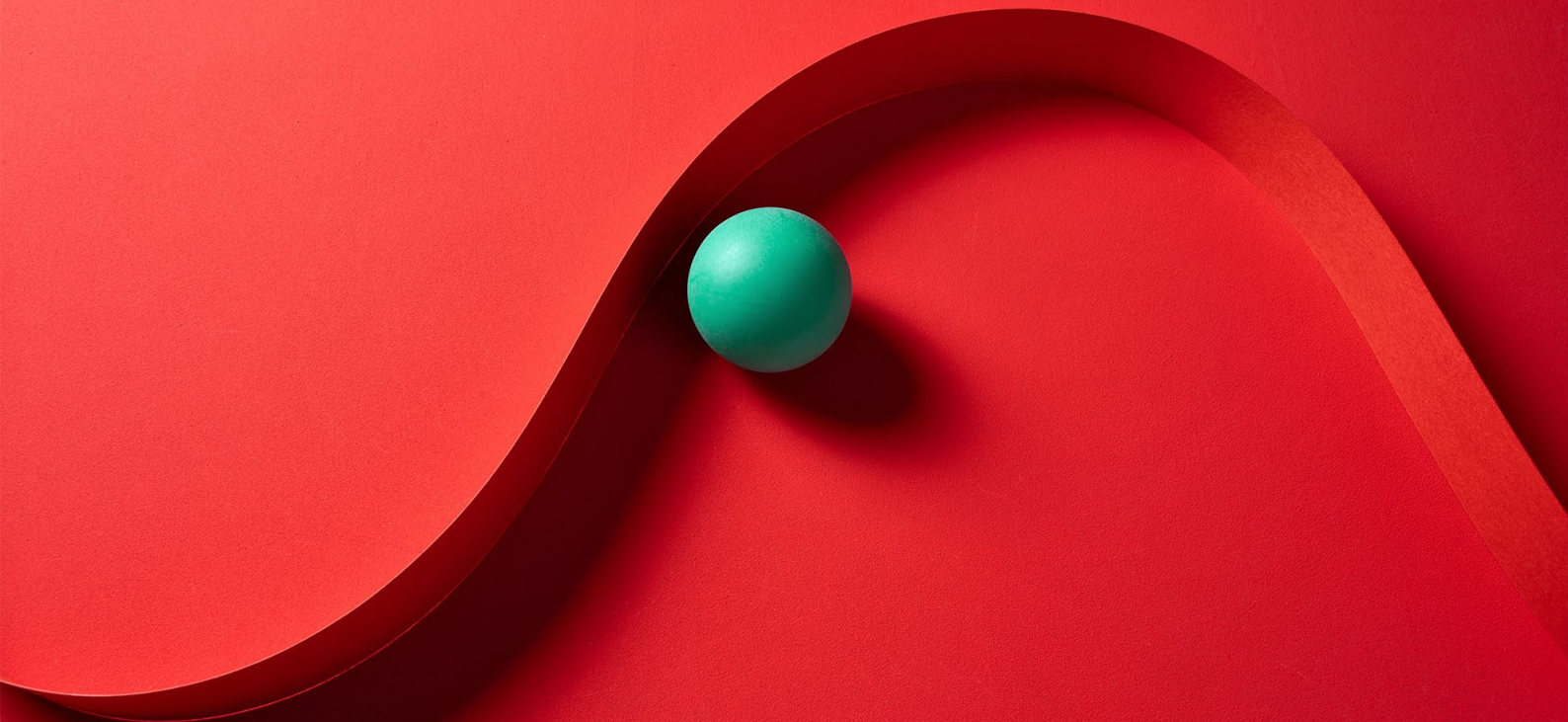
Vanguard®

Marketing communication

Emerging Markets Bond Fund

Active Fixed income
Quarterly report

30 September 2025



This is a marketing communication. 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). In Switzerland for professional investors only. Not to be distributed to the public.

Fund commentary

Emerging Markets Bond Fund

As at 30 September 2025

The Vanguard Emerging Markets Bond Fund is an actively managed fixed income solution investing primarily in emerging market sovereign bonds. The fund is managed by Vanguard's Fixed Income Group and aims to generate a diversified, consistent level of return over the long term.

Highlights

1

The Vanguard Emerging Markets Bond Fund returned 4.12% in the third quarter, underperforming its benchmark, the J.P. Morgan EMBI Global Diversified Index, which returned 4.75%.

2

Country allocation was the primary detractor to performance, particularly underweight positions in Panama and Venezuela combined with an overweight position in Ukraine.

3

Security selection also weighed on the fund's performance over the period.

Market overview

Emerging Market (EM) credit returned 4.8%[1] in the third quarter of 2025, supported by a rally in US Treasuries and a tightening in EM spreads. Year-to-date, EM credit has returned 10.7%[2], outperforming most other fixed income segments. Global markets continued to perform well in September, as the Federal Reserve (Fed) resumed easing policy with a 25 basis points (bps) reduction in the policy rate.

During the quarter, sovereign bond spreads tightened, with high yield (HY) bonds tightening by 16 bps and investment grade (IG) by 8 bps, delivering returns of 5.5% and 4.0%, respectively[2]. In terms of countries, Lebanon posted strong gains, while Argentina significantly lagged. Argentina's weakness stemmed from currency volatility following a provincial election setback, which cast doubt on the sustainability of its pro-business reforms and triggered selling of both the country's currency and bonds. Markets stabilised after a US support package was announced.

EM local currency debt extended its strong run in the third quarter, returning 2.8%[3]. Over the quarter, the majority of this return came from interest-rate moves. EM currencies made a modest positive contribution to market returns, contrasting sharply with its significant contribution in the first half of the year. EM corporate debt continued to underperform government debt, returning 3.2% for the quarter.

Performance

The Vanguard Emerging Markets Bond Fund returned 4.12% over the quarter, underperforming its benchmark, the J.P. Morgan EMBI Global Diversified Index, which returned 4.75%[4].

The fund's top detractor was country allocation, driven by underweight positions in Panama and Venezuela. The overweight allocation to Ukraine also weighed on returns due to uncertainty surrounding the ceasefire with Russia. Off-benchmark exposure to rates detracted from relative performance, mainly the short US duration position.

Security selection also weighed on returns, particularly the holding in Brazilian chemical firm Braskem.

The main positive contributors to performance included underweight positions in Argentina and Ecuador. An overweight position in Colombia also added value amid positive technical momentum. Other positives included exposure the Dominican Republic and a holding in Mexico's energy company PEMEX.

Positioning & Outlook

Continued inflows into EM fixed income should provide support for the asset class, even amid tight valuations. The recent increase in supply has not been sufficient to absorb the inflows and high cash balances. In the high-yield segment, technical factors continue to outweigh fundamental developments. Given tight credit spreads, our focus remains on relative value rather than broad market direction. We maintain concentrated underweights in the highest-quality segments, where spreads have limited room for further compression, and remain selective in our down-in-quality exposures. Oil exporters, in particular, appear vulnerable to renewed oil price weakness. In EM local markets, valuations seem fair, and we prefer strategies that fade extremes in central bank pricing.

[1,2,3] Vanguard, Bloomberg and JP Morgan, for the period 30 June 2025 to 30 September 2025. Calculations in USD.
[4] Vanguard and Bloomberg, for the period 30 June 2025 to 30 September 2025

Past performance is not a reliable indicator of future results.

Key fund facts

Vanguard Emerging Markets Bond Fund Investor USD

As at 30 September 2025

Investment objective and policy summary

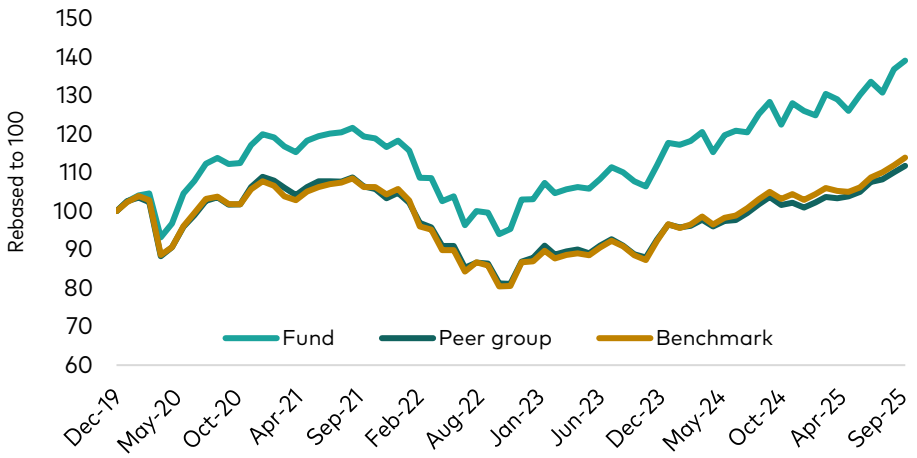
- The Fund employs an "active management" strategy and seeks to provide excess return while generating a moderate level of income by investing primarily in bonds of issuers in emerging market countries.
- The Fund invests in fixed income securities of various maturities, yields, and qualities.
- The Fund is allowed to invest within the following main guardrails:
    - Under normal circumstances, the Fund will invest at least 80% of its assets in fixed income securities of issuers that are tied economically to emerging market countries.
    - The Fund will invest no more than 10% of its assets in corporates, 10% in local rates of emerging markets countries, 10% in non-USD currencies.
    - The duration constraint is +/- 1 year versus the benchmark.

Cumulative return(%) as at 30 September 2025	YTD	3 month	1 year	3 yr (ann.)	5 yr (ann.)	Since inception (ann.)
Fund	10.32	4.12	8.36	13.94	4.38	5.83
Benchmark	10.66	4.75	8.52	12.29	2.27	2.26
Fund vs Benchmark	*-0.34*	*-0.63*	*-0.16*	*1.65*	*2.11*	*3.57*
Peer group	10.77	3.86	7.80	11.50	2.07	1.93

Calendar year return (%)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fund	--	--	--	--	--	17.04	-1.37	-12.88	14.16	7.12
Benchmark	1.18	10.15	10.26	-4.26	15.04	5.26	-1.80	-17.78	11.09	6.54
Fund vs Benchmark	--	--	--	--	--	*11.78*	*0.43*	*4.90*	*3.07*	*0.59*
Peer group	-4.16	9.63	11.13	-6.24	11.27	6.11	-3.80	-16.12	9.87	4.53

12-month return (%) to:	30 Sep 2016	30 Sep 2017	30 Sep 2018	30 Sep 2019	30 Sep 2020	30 Sep 2021	30 Sep 2022	30 Sep 2023	30 Sep 2024	30 Sep 2025
Fund	--	--	--	--	--	6.36	-21.25	14.60	19.14	8.36
Benchmark	16.20	4.61	-1.92	11.57	1.29	4.36	-24.28	10.01	18.60	8.52
Fund vs Benchmark	--	--	--	--	--	*2.00*	*3.03*	*4.58*	*0.54*	*-0.16*
Peer group	14.50	6.00	-4.13	6.93	1.75	4.68	-23.62	9.23	16.80	7.80

Fund performance (Cumulative % growth, USD, 3 December 2019 to 30 September 2025)



Fund information

Key fund facts (as at 30 September 2025)

Investment manager	Vanguard Global Advisers, LLC
Inception date	03/12/2019
Domicile	Ireland
Benchmark	JP Morgan EMBI Global Diversified
Peer group	EAA Fund Global Emerging Markets Bond
Fund AUM	USD 2,240m
Yield to worst	6.2%
Average duration	6.0 Years
Average quality	BB+
Number of holdings	324
3yr tracking ex post	1.7%
3yr volatility	7.8%

Fees

Ongoing Charges Figure (OCF[1])	0.6%

Purchase information

ISIN	IE00BKLWXM74
SEDOL	BKLWXM7
Bloomberg ticker	VEMBIUA
Base currency	USD

[1]The Ongoing Charges Figure (OCF) covers the fund manager's costs of managing the fund. It does not include dealing costs or additional costs such as audit fees.

Past performance is not a reliable indicator of future results.

Source: Vanguard and Morningstar. 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. Basis of index performance is total return. All performance is calculated in USD, net of fees. Performance figures shown may be calculated in a currency that differs from the currency of the share class that you are invested in. As a result, returns may decrease or increase due to currency fluctuations.

Key fund facts

Vanguard Emerging Markets Bond Fund Investor EUR Hedged

As at 30 September 2025

Investment objective and policy summary

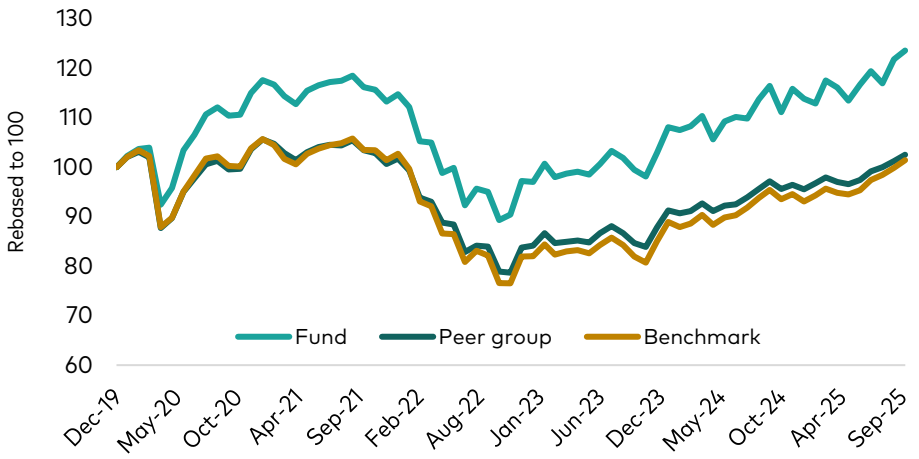
- The Fund employs an "active management" strategy and seeks to provide excess return while generating a moderate level of income by investing primarily in bonds of issuers in emerging market countries.
- The Fund invests in fixed income securities of various maturities, yields, and qualities.
- The Fund is allowed to invest within the following main guardrails:
    - Under normal circumstances, the Fund will invest at least 80% of its assets in fixed income securities of issuers that are tied economically to emerging market countries.
    - The Fund will invest no more than 10% of its assets in corporates, 10% in local rates of emerging markets countries, 10% in non-USD currencies.
    - The duration constraint is +/- 1 year versus the benchmark.

Cumulative return(%) as at 30 September 2025	YTD	3 month	1 year	3 yr (ann.)	5 yr (ann.)	Since inception (ann.)
Fund	8.54	3.48	6.15	11.43	2.27	3.70
Benchmark	8.99	4.12	6.36	9.83	0.24	0.24
Fund vs Benchmark	*-0.44*	*-0.64*	*-0.21*	*1.60*	*2.03*	*3.45*
Peer group	7.30	3.37	5.55	9.23	0.69	0.43

Calendar year return (%)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fund	--	--	--	--	--	14.97	-2.41	-15.47	11.40	5.34
Benchmark	0.74	8.32	8.21	-7.04	11.66	3.50	-2.82	-20.14	8.43	4.68
Fund vs Benchmark	--	--	--	--	--	*11.47*	*0.40*	*4.67*	*2.97*	*0.67*
Peer group	-2.04	8.55	6.97	-7.83	9.46	3.46	-3.69	-17.28	8.46	4.71

12-month return (%) to:	30 Sep 2016	30 Sep 2017	30 Sep 2018	30 Sep 2019	30 Sep 2020	30 Sep 2021	30 Sep 2022	30 Sep 2023	30 Sep 2024	30 Sep 2025
Fund	--	--	--	--	--	5.19	-23.11	11.41	16.98	6.15
Benchmark	14.89	2.55	-4.44	8.12	-0.75	3.25	-26.01	7.00	16.41	6.36
Fund vs Benchmark	--	--	--	--	--	*1.94*	*2.90*	*4.41*	*0.57*	*-0.21*
Peer group	13.31	2.95	-5.65	5.84	-1.11	3.88	-23.69	7.27	14.74	5.55

Fund performance (Cumulative % growth, EUR, 3 December 2019 to 30 September 2025)



Past performance is not a reliable indicator of future results.

Source: Vanguard and Morningstar. 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. Basis of index performance is total return. All performance is calculated in EUR, net of fees. Performance figures shown may be calculated in a currency that differs from the currency of the share class that you are invested in. As a result, returns may decrease or increase due to currency fluctuations.

Fund information

Key fund facts (as at 30 September 2025)

Investment manager	Vanguard Global Advisers, LLC
Inception date	03/12/2019
Domicile	Ireland
Benchmark	JP Morgan EMBI Global Diversified (EUR Hedged)
Peer group	EAA Fund Global Emerging Markets Bond - EUR Hedged
Fund AUM	EUR 1,906m
Yield to worst	6.2%
Average duration	6.0 Years
Average quality	BB+
Number of holdings	324
3yr tracking ex post	1.7%
3yr volatility	7.7%

Fees

Ongoing Charges Figure (OCF[1])	0.6%

Purchase information

ISIN	IE00BKLWXS37
SEDOL	BKLWXS3
Bloomberg ticker	VEMBIEA
Base currency	USD

[1]The Ongoing Charges Figure (OCF) covers the fund manager's costs of managing the fund. It does not include dealing costs or additional costs such as audit fees.

Key fund facts

Vanguard Emerging Markets Bond Fund Investor GBP Hedged

As at 30 September 2025

Investment objective and policy summary

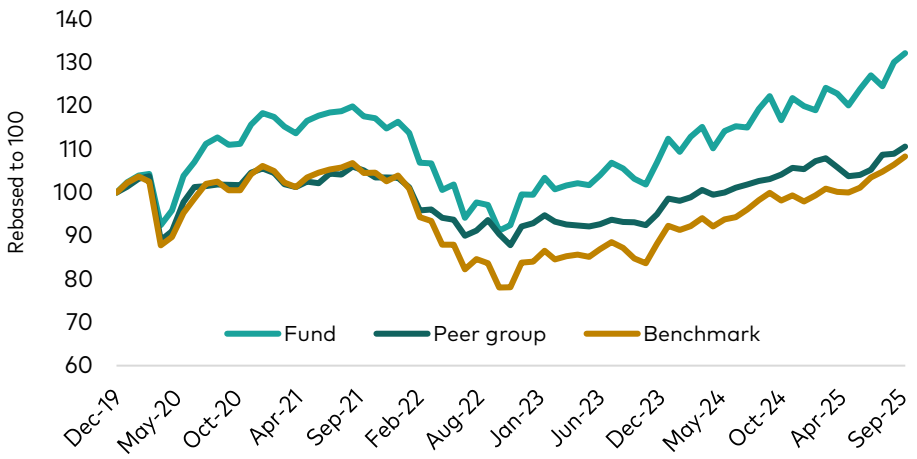
- The Fund employs an "active management" strategy and seeks to provide excess return while generating a moderate level of income by investing primarily in bonds of issuers in emerging market countries.
- The Fund invests in fixed income securities of various maturities, yields, and qualities.
- The Fund is allowed to invest within the following main guardrails:
    - Under normal circumstances, the Fund will invest at least 80% of its assets in fixed income securities of issuers that are tied economically to emerging market countries.
    - The Fund will invest no more than 10% of its assets in corporates, 10% in local rates of emerging markets countries, 10% in non-USD currencies.
    - The duration constraint is +/- 1 year versus the benchmark.

Cumulative return(%) as at 30 September 2025	YTD	3 month	1 year	3 yr (ann.)	5 yr (ann.)	Since inception (ann.)
Fund	10.21	4.05	8.14	13.16	3.55	4.90
Benchmark	10.63	4.69	8.37	11.54	1.51	1.38
Fund vs Benchmark	*-0.42*	*-0.64*	*-0.23*	*1.62*	*2.04*	*3.52*
Peer group	4.92	5.06	7.26	6.94	1.66	1.74

Calendar year return (%)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fund	--	--	--	--	--	15.60	-1.70	-14.47	12.95	6.70
Benchmark	1.25	9.86	9.11	-6.02	12.95	3.83	-2.10	-19.14	9.88	6.09
Fund vs Benchmark	--	--	--	--	--	*11.78*	*0.40*	*4.68*	*3.06*	*0.61*
Peer group	2.27	21.94	4.40	-3.12	11.11	4.10	-2.02	-10.13	6.09	6.93

12-month return (%) to:	30 Sep 2016	30 Sep 2017	30 Sep 2018	30 Sep 2019	30 Sep 2020	30 Sep 2021	30 Sep 2022	30 Sep 2023	30 Sep 2024	30 Sep 2025
Fund	--	--	--	--	--	5.92	-22.44	13.14	18.44	8.14
Benchmark	16.06	3.61	-3.51	9.40	-0.24	3.99	-25.33	8.64	17.88	8.37
Fund vs Benchmark	--	--	--	--	--	*1.93*	*2.89*	*4.51*	*0.57*	*-0.23*
Peer group	25.30	3.67	-2.10	11.68	-0.74	3.25	-13.98	3.01	10.70	7.26

Fund performance (Cumulative % growth, GBP, 3 December 2019 to 30 September 2025)



Past performance is not a reliable indicator of future results.

Source: Vanguard and Morningstar. 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. Basis of index performance is total return. All performance is calculated in GBP, net of fees. Performance figures shown may be calculated in a currency that differs from the currency of the share class that you are invested in. As a result, returns may decrease or increase due to currency fluctuations.

Fund information

Key fund facts (as at 30 September 2025)

Investment manager	Vanguard Global Advisers, LLC
Inception date	03/12/2019
Domicile	Ireland
Benchmark	JP Morgan EMBI Global Diversified (GBP Hedged)
Peer group	IA Global Emerging Markets Bond - Hard Currency
Fund AUM	GBP 1,664m
Yield to worst	6.2%
Average duration	6.0 Years
Average quality	BB+
Number of holdings	324
3yr tracking ex post	1.7%
3yr volatility	7.7%

Fees

Ongoing Charges Figure (OCF[1])	0.6%

Purchase information

ISIN	IE00BKLWXP06
SEDOL	BKLWXP0
Bloomberg ticker	VEMBIGA
Base currency	USD

[1]The Ongoing Charges Figure (OCF) covers the fund manager's costs of managing the fund. It does not include dealing costs or additional costs such as audit fees.

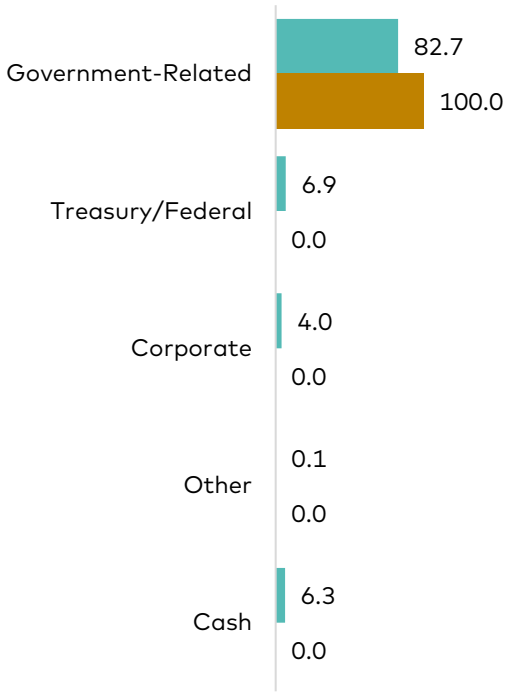
Fund breakdown

Emerging Markets Bond Fund

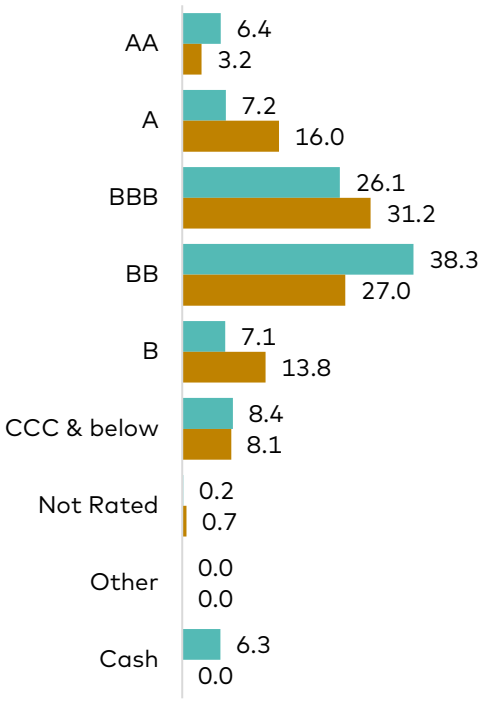
As at 30 September 2025

Key: Fund, Benchmark

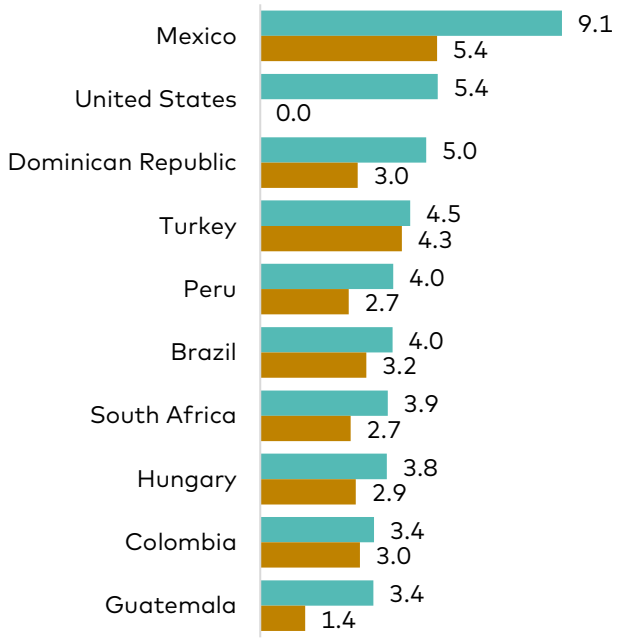
Distribution by Sector (% NAV)*



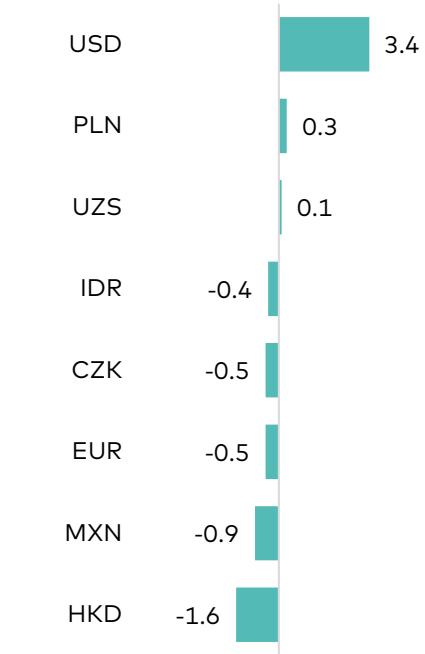
Distribution by credit quality (% NAV)**



Regional exposure – top 10 regions (% NAV)



Active currency exposure (% NAV)



Source: Vanguard, as at 30 September 2025.

*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.

**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. "Other" may include derivatives which could result in negative weightings.

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. The performance data does not take account of the commissions and costs incurred in the issue and redemption of shares.

Performance figures shown may be calculated in a currency that differs from the currency of the share class that you are invested in. As a result, returns may decrease or increase due to currency fluctuations.

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.

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.

The Vanguard Emerging Markets Bond 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 Funds 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.

Important information

This is a marketing communication.

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). In Switzerland for professional investors only. Not to be distributed to the public.

For further information on the fund's investment policies and risks, please refer to the prospectus of the UCITS and to the KIID (for UK, Channel Islands, Isle of Man investors) and to the KID (for European investors) before making any final investment decisions. The KIID and KID for this fund are available in local languages, alongside the prospectus via Vanguard's website https://global.vanguard.com/.

Important information

The information contained herein 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 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 and /or units of, and the receipt of distribution from any investment.

For Swiss professional investors: Potential investors will not benefit from the protection of the FinSA on assessing appropriateness and suitability.

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

For Swiss professional investors: The Manager of Vanguard Investment Series plc is Vanguard Group (Ireland) Limited. Vanguard Investments Switzerland GmbH is a financial services provider, providing services in the form of purchase and sales according to Art. 3 (c)(1) FinSA . Vanguard Investments Switzerland GmbH will not perform any appropriateness or suitability assessment. Furthermore, Vanguard Investments Switzerland GmbH does not provide any services in the form of advice. Vanguard Investment Series plc has been authorised by the Central Bank of Ireland as a UCITS. Prospective investors are referred to the Funds' prospectus for further information. Prospective investors are also urged to consult their own professional advisors 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.

For Swiss professional investors: Vanguard Investment Series plc has been approved for offer in Switzerland by the Swiss Financial Market Supervisory Authority (FINMA). The information provided herein does not constitute an offer of Vanguard Investment Series plc in Switzerland pursuant to FinSA and its implementing ordinance. This is solely an advertisement pursuant to FinSA and its implementing ordinance for Vanguard Investment Series plc. The Representative and the Paying Agent in Switzerland is BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zurich. Copies of the Articles of Incorporation, KID, Prospectus, Declaration of Trust, By-Laws, Annual Report and Semiannual Report for these funds can be obtained free of charge from the Swiss Representative or from Vanguard Investments Switzerland GmbH via our website https://global.vanguard.com/.

The Manager of the Ireland domiciled funds may determine to terminate any arrangements made for marketing the shares in one or more jurisdictions in accordance with the UCITS Directive, as may be amended from time-to-time.

For investors in Ireland domiciled funds, a summary of investor rights can be obtained via https://www.ie.vanguard/content/dam/intl/europe/documents/en/vanguard-investors-rights-summary-irish-funds-jan22.pdf and is available in English, German, French, Spanish, Dutch and Italian.

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.

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index referenced herein is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval.

For Dutch investors only: The fund(s) referred to herein are listed in the AFM register as defined in section 1:107 Dutch Financial Supervision Act (Wet op het financieel toezicht).For details of the Risk indicator for each fund listed, please see the fact sheet(s) which are available from Vanguard via our website https://www.nl.vanguard/professional/product.

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®.

Issued in EEA by Vanguard Group (Ireland) Limited which is regulated in Ireland by the Central Bank of Ireland.

Issued in Switzerland by Vanguard Investments Switzerland GmbH.

Issued by Vanguard Asset Management, Limited which is authorised and regulated in the UK by the Financial Conduct Authority.

© 2025 Vanguard Group (Ireland) Limited. All rights reserved.

© 2025 Vanguard Investments Switzerland GmbH. All rights reserved.

© 2025 Vanguard Asset Management, Limited. All rights reserved.

Reference number: 4947989

Connect with Vanguard®

global.vanguard.com

Vanguard®