

Sample model portfolios built using
Vanguard's low-cost index funds
Key features document

for Investment Adviser use only

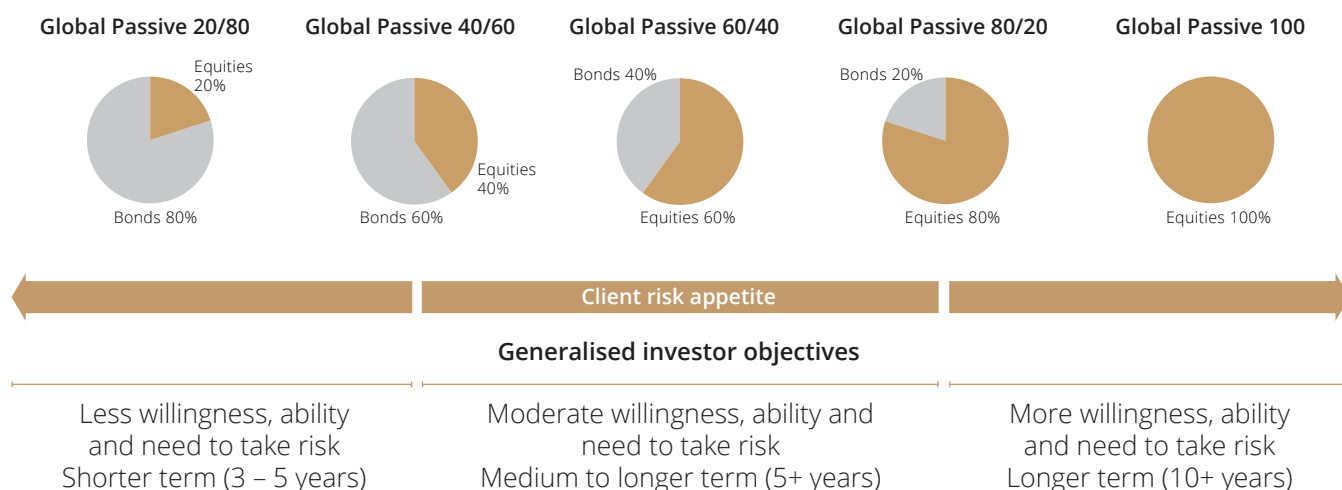
Vanguard[®]

It is vitally important that before you make any investment decision that you seek independent advice from a financial adviser who can assess your needs and ensure a suitable recommendation is made.

NOTHING CONTAINED IN THIS SAMPLE MODEL PORTFOLIOS KEY FEATURES DOCUMENT CONSTITUTES INVESTMENT, LEGAL, TAX, OR OTHER ADVICE, NOR IS TO BE RELIED ON IN MAKING AN INVESTMENT OR OTHER DECISION. YOU SHOULD OBTAIN RELEVANT AND SPECIFIC PROFESSIONAL ADVICE BEFORE MAKING ANY INVESTMENT DECISION.

Sample model portfolios

Conexim Advisors Ltd (“Conexim”) have developed a range of sample model portfolios using index funds managed by Vanguard. These sample model portfolios are based around equity (growth assets) and fixed income (defensive assets) components, and employ annual rebalancing rules to ensure consistent adherence to risk tolerances to match potential investors’ requirements, as they will have identified with you, their Financial Adviser. These sample portfolios offer low cost exposure to global markets and have been designed to offer the benefits of broad diversification.



The sample model portfolios are based on stepped exposure to diversified global portfolios of equities and fixed income.

The names refer to the amount of equities the sample model portfolio aims to hold, with the remainder exposed to bonds. Each is designed to broadly meet a variety of risk-return requirements, providing you with straightforward default portfolios, or a core investment around which to build fine-tuned bespoke portfolios, for your clients.

Asset Class/Fund	ISIN	Global Passive 20/80	Global Passive 40/60	Global Passive 60/40	Global Passive 80/20	Global Passive 100
Global Stock Index Fund	IE00B03HD191	20.00%	40.00%	60.00%	80.00%	100.00%
Global Bond Index Fund	IE00B18GC888	80.00%	60.00%	40.00%	20.00%	0.00%
		100.00%	100.00%	100.00%	100.00%	100.00%

Warning: Past performance is not a reliable guide to future performance.

Warning: The value of your investment may go down as well as up. You may get back less than you invest.

Warning: Funds may be affected by changes in currency exchange rates.

Warning: If you invest in this product you may lose some or all of the money you invest.

Warning: These figures are estimates only. They are not a reliable guide to the future performance of your investment.

A range of static-allocation portfolios built using Vanguard equity and bond index funds

The sample model portfolios apply a number of investment best practices creating portfolios you can use to add real value for your clients. The portfolios include asset allocation, broad diversification and annual rebalancing, which carefully balance risk, return and cost.

The sample portfolios offer a straightforward design, low investment costs and exposure to a mix of equity and fixed income investments to help maximise their usefulness.

Why use the sample model portfolios?

Broad diversification

Maintain investors' exposure across key global asset and sub-asset classes, allowing the investor to participate in the stronger-performing markets and sectors while mitigating the negative impact of weaker-performing ones.

Cost effective

Use Vanguard's low-cost index funds as building blocks and benefit from Vanguard's economies of scale. This means that these sample portfolios deliver a globally diversified investment solution at a relatively low cost.

Annual rebalancing

Remove the risk of drifting from a target asset allocation, which could lead to portfolio risk exposures that are not aligned with your clients' risk and return objectives.

Low maintenance

Provide exposure to a consistent mix of equity and bond investments. This gives you a low-maintenance investment solution, allowing you to focus on value-added client activities, such as financial planning and asset allocation.

Cost effective fund management and rebalancing

Overcoming the problem of drift

Over time, various asset classes produce different returns. Left untouched, the allocation weights will drift from the investor's target allocation. This drift may subject your client to more (or less) risk than originally intended. To ensure these sample portfolios align with their target risk and return characteristics, they will be annually rebalanced back to their original asset allocation.

Avoiding behavioural pitfalls during market cycles

Historically, significant rebalancing opportunities have come after extreme market events. Your clients might resist you rebalancing their portfolios during or after a period of poor investment performance, especially when markets remain jittery. The thought of selling high-performing asset classes and investing in the worst-performing asset classes seems counterintuitive, despite the proven benefits of this approach.

Annual rebalancing

Annually rebalancing back to the original asset allocation, helps to guard against the tendency to chase returns by moving into and out of the best and worst-performing sectors based upon recent past performance. Analysis of fund flows suggests that this is what most investors, even professional investors, end up doing, much to their detriment.

The sample portfolios are set to rebalance annually on June 30th, back to their original asset allocation.

Vanguard publish the audited ongoing charges figure ("OCF"), which is a total expense ratio for each of the funds. This means that all fees are known to the client in an open and transparent manner. The OCF of the sample model portfolios below range from 0.16% to 0.18%, and varies depending on the risk level required in the portfolio.

Sample Model Portfolio	Global Passive 20/80	Global Passive 40/60	Global Passive 60/40	Global Passive 80/20	Global Passive 100
Growth Assets	20.00%	40.00%	60.00%	80.00%	100.00%
Defensive Assets	80.00%	60.00%	40.00%	20.00%	0.00%
Weighted Average OCF	0.16%	0.16%	0.17%	0.17%	0.18%

Please see individual fund factsheets for further details and the KIID for each fund to confirm the most up to date OCF.

Why Vanguard?

What makes Vanguard different?

What sets Vanguard apart – and lets Vanguard put investors first around the world – is the ownership structure of The Vanguard Group, Inc., in the United States.

Rather than being publicly traded or owned by a small group of individuals, The Vanguard Group is owned by Vanguard's US-domiciled funds and ETFs. Those funds, in turn, are owned by their investors.

This unique mutual structure aligns Vanguard's interests with those of investors and drives the culture, philosophy and policies throughout the Vanguard organisation worldwide. As a result, investors benefit from Vanguard's stability and experience, low-cost investing and client focus.

Stability and experience

Vanguard leverages the scale, experience and resources of their established global business. Vanguard's ownership structure means that clients don't have to worry that they'll be acquired. The company they invest with today will continue to serve them in the future.

The Vanguard Group established the world's first index mutual fund for individual investors in 1976 and has been a leader in low-cost index investing ever since. The Vanguard Group also launched the first funds based on bond and international indices, and over the last decade has extended its index management expertise to exchange-traded funds.

Low-cost investing

Investors can't control the markets, but they can control the costs of investing. Providing low-cost investments isn't a pricing strategy for Vanguard. It's how they do business.

They can keep costs low because of their unique ownership structure in the United States, which allows them to return profits to investors through lower costs.

Vanguard's scale also helps to keep costs low. As their assets under management increase globally, they can reduce expense ratios for investors in their funds.

Client focus

The ownership structure of The Vanguard Group aligns their interests with those of clients. Because Vanguard is not publicly traded, they can extend the benefits of that structure to clients.

From rigorous risk management to transparent pricing to plain talk communications, they put clients' interests first.

Everything Vanguard do is designed to give clients the best chance for investment success.

Simulated performance and back testing

The graph and performance figures below are derived from allocating a similar weighting to the relevant benchmarks of the underlying funds in each portfolio.

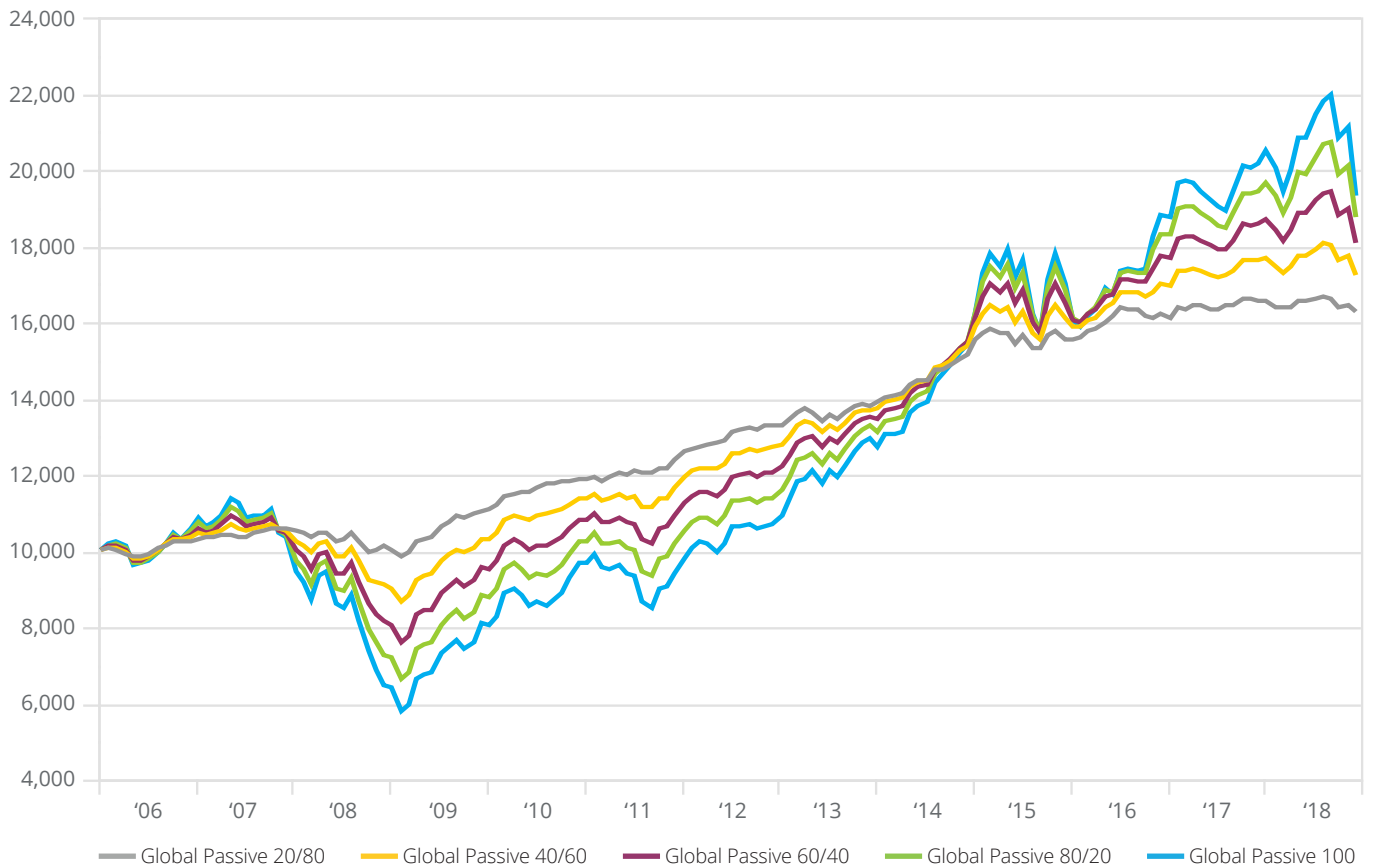
Performance summary statistics

Time Period: 01/01/2006 to 31/12/2018 (M) Currency: Euro

	Global Passive 20/80	Global Passive 40/60	Global Passive 60/40	Global Passive 80/20	Global Passive 100
1 Year Annualised Return (%)	-1.69	-2.23	-2.84	-3.52	-4.26
5 Year Annualised Return (%)	3.40	4.70	5.97	7.19	8.37
10 Year Annualised Return (%)	4.89	6.62	8.31	9.96	11.58
10 Year Annualised Standard Deviation (%)	3.06	4.81	6.90	9.10	11.35
Lowest 1 Year Return (%)	-6.12 <small>(3/08-2/09)</small>	-14.62 <small>(11/07-10/08)</small>	-22.61 <small>(1/08-12/08)</small>	-30.38 <small>(1/08-12/08)</small>	-37.73 <small>(1/08-12/08)</small>
Highest 1 Year Return (%)	14.46 <small>(4/09-3/10)</small>	22.43 <small>(4/09-3/10)</small>	30.82 <small>(4/09-3/10)</small>	39.64 <small>(4/09-3/10)</small>	48.90 <small>(4/09-3/10)</small>
Lowest 3 Year Return (%)	-0.73 <small>(3/06-2/09)</small>	-4.95 <small>(3/06-2/09)</small>	-9.10 <small>(3/06-2/09)</small>	-13.18 <small>(3/06-2/09)</small>	-17.18 <small>(3/06-2/09)</small>
Highest 3 Year Return (%)	8.87 <small>(3/09-2/12)</small>	11.71 <small>(3/09-2/12)</small>	14.55 <small>(3/09-2/12)</small>	17.85 <small>(6/12-5/15)</small>	21.63 <small>(6/12-5/15)</small>

Growth of wealth

Time Period: 01/01/2006 to 31/12/2018 (M) Currency: Euro Cumulative Return



© FactSet Research Systems

Warning: Past performance is not a reliable guide to future performance.

Warning: The value of your investment may go down as well as up. You may get back less than you invest.

Warning: Funds may be affected by changes in currency exchange rates.

Warning: If you invest in this product you may lose some or all of the money you invest.

Warning: These figures are estimates only. They are not a reliable guide to the future performance of your investment.

How is this portfolio investment solution achieved?

Conexim who act with Pershing Securities International Ltd. ("Pershing") provide access to a leading edge investment and custody platform for clients, which is provided under a tri-partite terms of business. The service and platform provided by Conexim and Pershing have been built according to international best practice and specifically adapted for the Irish market.

All on-platform assets are held with Pershing (a Bank of New York Mellon company). Pershing's global custody operations service approximately 7 million active investor accounts and as of June 30th 2019 held over \$1.9 trillion in global client assets, with Pershing's global operations having net capital of over \$2 billion. The parent company, Bank of New York Mellon, has \$35.5 trillion in assets under custody and/or administration, and has a market capitalisation of \$44.1 billion as of June 30th 2019.

Pershing®

A BNY MELLON COMPANY

For more information about Pershing Securities International Limited, an affiliate of Pershing LLC and a subsidiary of The Bank of New York Mellon Corporation please refer to www.pershing.co.uk/about-us/index.html



CONEXIM
ADVISOR SUPPORT & SERVICES

Conexim provide risk management, dealing, technical and platform administration services in conjunction with Pershing in the Irish market. Conexim are a wholly owned subsidiary of the Platform Capital Group of companies, an Irish financial services group which operates across all classes of investments, and exclusively provides services to other financial services firms. For more information about Conexim please refer to www.conexim.ie

Both Conexim and Pershing are authorised by the Central Bank of Ireland under the European Communities (Markets in Financial Instruments) Regulations 2007.

Vanguard Asset Management Limited is authorised and regulated by the UK Financial Conduct Authority to provide services to professional clients.

97 Haddington Road
Dublin 4, D04 YK79
Dublin, Ireland

t: +353 1 679 8080

e: info@conexim.ie

www.conexim.ie

Conexim Advisors Ltd. t/a Conexim is regulated by the Central Bank of Ireland.

© 2019 Conexim Advisors Ltd. All rights reserved.

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