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Communications	15.4%
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The portfolio files its complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. The portfolio's Form N-PORT reports are available on the SEC's website at [www.sec.gov](http://www.sec.gov).

Coupon	Maturity Date	Face Amount (\$000)	Market
		5,127,034,000	5,127,034,000

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	Coupon	Maturity Date	Face Amount (\$'000)	Market Value <sup>e</sup> (\$'000)
<sup>3</sup> Outfront Media Capital LLC / Outfront Media Capital Corp.	4.250%	1/15/29	785	660
<sup>3</sup> Outfront Media Capital LLC / Outfront Media Capital Corp.	4.625%	3/15/30	2,647	2,217
Paramount Global Inc.	6.250%	2/28/57	944	721
Paramount Global Inc.	6.375%	3/30/62	885	739
<sup>3</sup> ROBLOX Corp.	3.875%	5/1/30	2,505	2,111
<sup>3</sup> Scripps Escrow II Inc.	3.875%	1/15/29	1,560	1,260
<sup>3</sup> Scripps Escrow II Inc.	5.375%	1/15/31	382	270
<sup>3</sup> Sirius XM Radio Inc.	3.125%	9/1/26	310	279
<sup>3</sup> Sirius XM Radio Inc.	4.000%	7/15/28	1,090	948
<sup>3</sup> Sirius XM Radio Inc.	4.125%	7/1/30	2,040	1,667
<sup>3</sup> Sirius XM Radio Inc.	3.875%	9/1/31	1,370	1,060
Sprint LLC	7.875%	9/15/23	4,019	4,031
Sprint LLC	7.125%	6/15/24	1,094	1,105
Sprint LLC	7.625%	2/15/25	345	352
TEGNA Inc.	4.625%	3/15/28	410	362
TEGNA Inc.	5.000%	9/15/29	1,365	1,181
Telecom Italia Capital SA	6.4/4.89999(1)114.89999(9) Tj (/Tj 4 1.34008 02n01(.)) Tj (625%) Tj 21.85835 0 T49.8(9)-2(437)236S89999(e)]T6 Tj 439 43.903 619.0016 Tm			
	5.6(9)46457(2)13525075 -1.280.8(7)209.60001(.)]7J (62439170 2.375%)-1451557.8(6/1)49.86 2.2676.17			

	Coupon	Maturity Date	Face Amount (\$000)	Market Value <sup>€</sup> (\$000)
Ford Motor Credit Co. LLC	3.815%	11/2/27	342	306
Ford Motor Credit Co. LLC	6.800%	5/12/28	1,435	1,438
Ford Motor Credit Co. LLC	7.350%	3/6/30	270	276
Ford Motor Credit Co. LLC	7.200%	6/10/30	530	535
<sup>3</sup> Gap Inc.	3.625%	10/1/29	745	527
<sup>3</sup> Gap Inc.	3.875%	10/1/31	570	391
Goodyear Tire & Rubber Co.	5.000%	7/15/29	485	437
Goodyear Tire & Rubber Co.	5.250%	7/15/31	685	595
Griffon Corp.	5.750%	3/1/28	300	281
<sup>3</sup> Hanesbrands Inc.	4.875%	5/15/26	2,974	2,776
<sup>3</sup> Hanesbrands Inc.	9.000%	2/15/31	605	610
<sup>3</sup> Hilton Domestic Operating Co. Inc.	5.750%	5/1/28	255	251
<sup>3</sup> Hilton Domestic Operating Co. Inc.	3.750%	5/1/29	475	421
<sup>3</sup> Hilton Domestic Operating Co. Inc.	4.000%	5/1/31	55	48
<sup>3</sup> Hilton Domestic Operating Co. Inc.	3.625%	2/15/32	445	371
KB Home	4.800%	11/15/29	405	373
KB Home	Td [(5/29)-3317.2(405c2 Td [(1)02785f)19.8(o)] TJ ((605)-3535.3(61)74.8k60335 0 Td [(685)-34.8(949.39999(373)) TJ -23.1987 -1.28211s29) Td			

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	Coupon	Maturity Date	Face Amount (\$000)	Market Value <sup>e</sup> (\$000)
<sup>3</sup> PennyMac Financial Services Inc.	5.375%	10/15/25	1,045	991
<sup>3</sup> PennyMac Financial Services Inc.	4.250%	2/15/29	1,055	849
Radian Group Inc.	4.500%	10/1/24	1,485	1,447
Radian Group Inc.	6.625%	3/15/25	175	175
Radian Group Inc.	4.875%	3/15/27	175	165
<sup>3</sup> Rocket Mortgage LLC / Rocket Mortgage Co-Issuer Inc.	2.875%	10/15/26	175	155
<sup>3</sup> Rocket Mortgage LLC / Rocket Mortgage Co-Issuer Inc.	3.625%	3/1/29	130	109
<sup>3</sup> Rocket Mortgage LLC / Rocket Mortgage Co-Issuer Inc.	3.875%	3/1/31	320	259
<sup>3</sup> Rocket Mortgage LLC / Rocket Mortgage Co-Issuer Inc.	4.000%	10/15/33	25	20
<sup>3</sup> United Wholesale Mortgage LLC	5.500%	11/15/25	375	358
<sup>3</sup> United Wholesale Mortgage LLC	5.750%	6/15/27	780	712
<sup>3</sup> United Wholesale Mortgage LLC	5.500%	4/15/29	160	137

( %)

<sup>3</sup> Acadia Healthcare Co. Inc.	5.500%	7/1/28	625	598
<sup>3</sup> Acadia Healthcare Co. Inc.	5.000%	4/15/29	825	766
<sup>3,4</sup> Avantor Funding Inc.	2.625%	11/1/25	2,106	2,197
<sup>3</sup> Avantor Funding Inc.	4.625%	7/15/28	1,860	1,724
<sup>3</sup> Avantor Funding Inc.	3.875%	11/1/29	345	302
<sup>3</sup> Bausch Health Cos. Inc.	5.500%	11/1/25	525	464
<sup>3</sup> Catalent Pharma Solutions Inc.	5.000%	7/15/27	630	580
<sup>3,4</sup> Catalent Pharma Solutions Inc.	2.375%	3/1/28	1,310	1,150
<sup>4</sup> Catalent Pharma Solutions Inc.	2.375%	3/1/28	750	658
<sup>3</sup> Catalent Pharma Solutions Inc.	3.125%	2/15/29	360	293
<sup>3</sup> Catalent Pharma Solutions Inc.	3.500%	4/1/30	1,090	883
Centene Corp.	4.625%	12/15/29	210	193
Centene Corp.	3.375%	2/15/30	325	279
<sup>3</sup> Charles River Laboratories International Inc.	4.250%	5/1/28	950	873
<sup>3</sup> Charles River Laboratories International Inc.	3.750%	3/15/29	390	345
<sup>3</sup> Charles River Laboratories International Inc.	4.000%	3/15/31	650	567
<sup>3</sup> CHS/Community Health Systems Inc.	8.000%	3/15/26	270	263

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	Coupon	Maturity Date	Face Amount (\$000)	Market Value <sup>€</sup> (\$000)
<sup>3</sup> Iron Mountain Inc.	4.500%	2/15/31	303	260
<sup>3</sup> Iron Mountain Inc.	5.625%	7/15/32	265	237
<sup>3</sup> Iron Mountain Information Management Services Inc.	5.000%	7/15/32	13	11
MPT Operating Partnership LP / MPT Finance Corp.	5.000%	10/15/27	95	80
MPT Operating Partnership LP / MPT Finance Corp.	4.625%	8/1/29	865	655
MPT Operating Partnership LP / MPT Finance Corp.	3.500%	3/15/31	460	318
SBA Communications Corp.	3.875%	2/15/27	385	355
SBA Communications Corp.	3.125%	2/1/29	450	382
Service Properties Trust	7.500%	9/15/25	78	77
Service Properties Trust	5.250%	2/15/26	100	91
Service Properties Trust	4.750%	10/1/26	243	211
Service Properties Trust	5.500%	12/15/27	367	323
<sup>3</sup> VICI Properties LP / VICI Note Co. Inc.	5.625%	5/1/24	150	149
<sup>3</sup> VICI Properties LP / VICI Note Co.				

Coupon	Maturity Date	Face Amount (\$000)	Market
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(\$000s, except shares, footnotes, and per-share amounts)	Amount
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Investments in Securities, at Value	
Unaffiliated Issuers (Cost \$729,389)	686,947
Affiliated Issuers (Cost \$5,197)	5,196
Total Investments in Securities	692,143
Investment in Vanguard	25
Cash	253
Foreign Currency, at Value (Cost \$3)	3
Receivables for Investment Securities Sold	677
Receivables for Accrued Income	9,801
Receivables for Capital Shares Issued	183
Variation Margin Receivable, Centrally Cleared Swap Contracts	111
Unrealized Appreciation, Forward Currency Contracts	18
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Payables for Investment Securities Purchased	2,686
Payables to Investment Advisor	66
Payables for Capital Shares Redeemed	245
Payables to Vanguard	57
Unrealized Depreciation, Floating Rate Loan Commitments	3
Variation Margin Payable, Futures Contracts	1
Unrealized Depreciation, Forward Currency Contracts	5
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Paid-in Capital	763,949
Total Distributable Earnings (Loss)	(63,798)
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See accompanying Notes, which are an integral part of the Financial Statements.



For a Share Outstanding Throughout Each Period	Six Months Ended June 30,		Year Ended December 31,			
	2023	2022	2021	2020	2019	2018
	\$	\$	\$	\$	\$	\$
Net Investment Income <sup>1</sup>	.192	.345	.337	.353	.410	.420
Net Realized and Unrealized Gain (Loss) on Investments	.094	(1.074)	(.053)	.021	.731	(.636)
Total from Investment Operations	.286	(.729)	.284	.374	1.141	(.216)
Dividends from Net Investment Income	(.356)	(.371)	(.344)	(.444)	(.481)	(.384)
Distributions from Realized Capital Gains	"	"	"	"	"	"
Total Distributions	(.356)	(.371)	(.344)	(.444)	(.481)	(.384)
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	%	- %	- %	%	%	- %
Net Assets, End of Period (Millions)	\$700	\$628	\$779	\$831	\$783	\$704
Ratio of Total Expenses to Average Net Assets	0.24% <sup>2</sup>	0.25% <sup>2</sup>	0.26%	0.26%	0.26%	0.26%
Ratio of Net Investment Income to Average Net Assets	5.57%	4.82%	4.22%	4.57%	5.21%	5.39%
Portfolio Turnover Rate	27%	34%	30%	41%	27%	23%

The expense ratio and net investment income ratio for the period have been annualized.

1 Calculated based on average shares outstanding.

2 The ratio of expenses to average net assets for the period net of reduction from offset arrangements was 0.24% and 0.25%, respectively.



The High Yield Bond Portfolio, a portfolio of Vanguard Variable Insurance Funds, is registered under the Investment Company Act of 1940 as an open-end investment company. The portfolio's shares are only available for purchase by separate accounts of insurance companies as investments for variable annuity plans, variable life insurance contracts, or other variable benefit insurance contracts.

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The following significant accounting policies conform to generally accepted accounting principles for U.S. investment companies. The portfolio consistently follows such policies in preparing its financial statements.

1. Security Valuation: Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Bonds and temporary cash investments are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent ~~local~~

imposes initial margin requirements to secure the portfolio's performance and requires daily settlement of variation margin representing changes in the market value of each contract. Any securities pledged as initial margin for open contracts are noted in the Schedule of Investments.

Futures contracts are valued at their quoted daily settlement prices. The notional amounts of the contracts are not recorded in the Statement of Assets and Liabilities. Fluctuations in the value of the contracts are recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation.

and requires daily settlement of variation margin representing changes in the market value of each contract. To further mitigate counterparty risk, the portfolio trades with a diverse group of prequalified executing brokers

funds effective rate, the overnight bank funding rate, or the Daily Simple Secured Overnight Financing Rate inclusive of an additional agreed-upon spread. However, borrowings under the uncommitted credit facility may bear interest based upon an alternate rate agreed to by the portfolio and Vanguard.

In accordance with an exemptive order (the "Order") from the SEC, the portfolio may participate in a joint lending and borrowing program that allows registered open-end Vanguard funds to borrow money from and lend money to each other for temporary or emergency purposes (the "Interfund Lending Program"), subject to compliance with the terms and conditions of the Order, and to the extent permitted by the portfolio's investment objective and investment policies. Interfund loans and borrowings normally extend overnight but can have a maximum duration of seven days. Loans may be called on one business day's notice. The interest rate to be charged is governed by the conditions of the Order and internal procedures adopted by the board of trustees. The board of trustees is responsible for overseeing the Interfund Lending Program.

For the six months ended June 30, 2023, the portfolio did not utilize the credit facilities or the Interfund Lending Program.

11. Other: Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Premiums and discounts on debt securities are amortized and accreted, respectively, to interest income over the lives of the respective securities, except for (see) Tj 13i298(e)] TJ (right) TCiea01(ca0Td TJ -Tc.8(1)139.89/F5 1 Tftthe1(

The following table summarizes the mark et

Realized net gain (loss) and the change in unrealized appreciation (depreciation) on derivatives for the six months ended June 30, 2023, were:

	Interest Rate Contracts (\$000)	Foreign Exchange Contracts (\$000)	Credit Contracts (\$000)	Total (\$000)
<b>Realized Net Gain (Loss) on Derivatives</b>				
Futures Contracts	(180)	"	"	(180)
Swap Contracts	"	"	1,288	1,288
Forward Currency Contracts	"	(450)	"	(450)
<b>Realized Net Gain (Loss) on Derivatives</b>	<b>(180)</b>	<b>(450)</b>	<b>1,288</b>	<b>658</b>
<b>Change in Unrealized Appreciation (Depreciation) on Derivatives</b>				
Futures Contracts	(105)	"	"	(105)
Swap Contracts	"	"	40	40
Forward Currency Contracts	"	132	"	132
<b>Change in Unrealized Appreciation (Depreciation) on Derivatives</b>	<b>(105)</b>	<b>132</b>	<b>40</b>	<b>67</b>

As of June 30, 2023, gross unrealized appreciation and depreciation for investments, derivatives, and other financial instruments based on cost for US dollar denominated investments were:

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Credit risk is the risk that a counterparty to a transaction or an issuer of a financial instrument will fail to pay interest and principal when due, or that perceptions of the issuer's ability to make such payments will cause the price of an investment to decline. Investment in debt securities will generally increase credit risk.

The use of derivatives may expose the portfolio to various risks. Derivatives can be highly volatile, and any initial investment is generally small relative to the notional amount so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard securities. Leveraged derivatives positions can, therefore, increase volatility. Additional information regarding the portfolio's use of derivative(s) and the specific risks associated is described under significant accounting policies.

At June 30, 2023, one shareholder (an insurance company separate account whose holdings in the portfolio represent the indirect investment of Vanguard Variable Annuity contract holders) was the record or beneficial owner of 39% of the portfolio's net assets. If this shareholder were to redeem its investment in the portfolio, the redemption might result in an increase in the portfolio's expense ratio, cause the portfolio to incur higher transaction costs, or lead to the realization of taxable capital gains.

Management has determined that no events or transactions occurred subsequent to June 30, 2023, that would require recognition or disclosure in these financial statements.

The board of trustees of Vanguard Variable Insurance Funds High Yield Bond Portfolio has renewed the portfolio's investment advisory arrangement with Wellington Management Company LLP (Wellington Management). The board determined that renewing the portfolio's advisory arrangement was in the best interests of the portfolio and its shareholders. The Vanguard Group, Inc. (Vanguard), through its Fixed Income Group, is also advisor to the portfolio.

The board based its decision upon an evaluation of the advisor's investment staff, portfolio management process, and performance. This evaluation included information provided to the

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Vanguard funds (except for the money market funds) have adopted and implemented a written liquidity risk management program (the "Program") as required by Rule 22e-4 under the Investment Company Act of 1940. Rule 22e-4 requires that each fund adopt a program that is reasonably designed to assess and manage the fund's liquidity risk, which is the risk that the fund could not meet redemption requests without significant dilution of remaining in

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