PART B

VANGUARD® VARIABLE INSURANCE FUNDS

STATEMENT OF ADDITIONAL INFORMATION

April 28, 2023

TABLE OF CONTENTS

DESCRIPTION OF THE TRUST

1 Individually, a Fund or a Portfolio; collectively, the Funds or the Portfolios.
2 Prior to January 18, 2018, the Fund was named the REIT Index Portfolio.

[illegible]

Organization

[illegible]

Service Providers

C [illegible]

I [illegible]

T [illegible]

Characteristics of the Funds' Shares

R [illegible]

S [illegible]

D [illegible]

V [illegible] ***R***, [illegible]

L [illegible] ***a*** ***R***, [illegible]

P [illegible] ***R***, [illegible]

L a [illegible]

R a E a [illegible]

S S [illegible]

U [illegible]

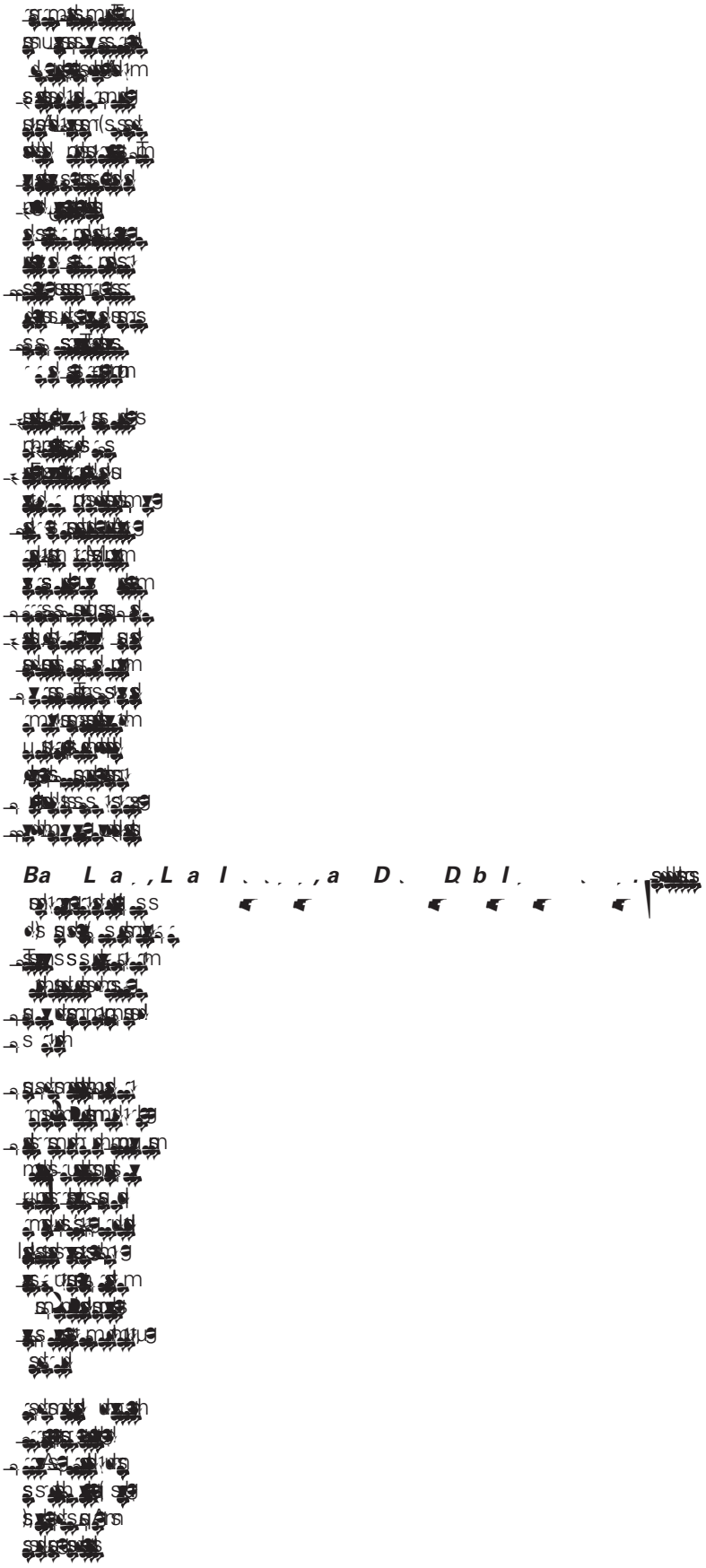
[illegible] **Investment Strategies, Risks, and Nonfundamental Policies**.

[illegible] **Management of the Funds** [illegible]

INVESTMENT STRATEGIES, RISKS, AND NONFUNDAMENTAL POLICIES

[illegible]

A -Ba S [illegible]



C S [illegible]

[illegible]

C [illegible] S [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

D b S S a l S

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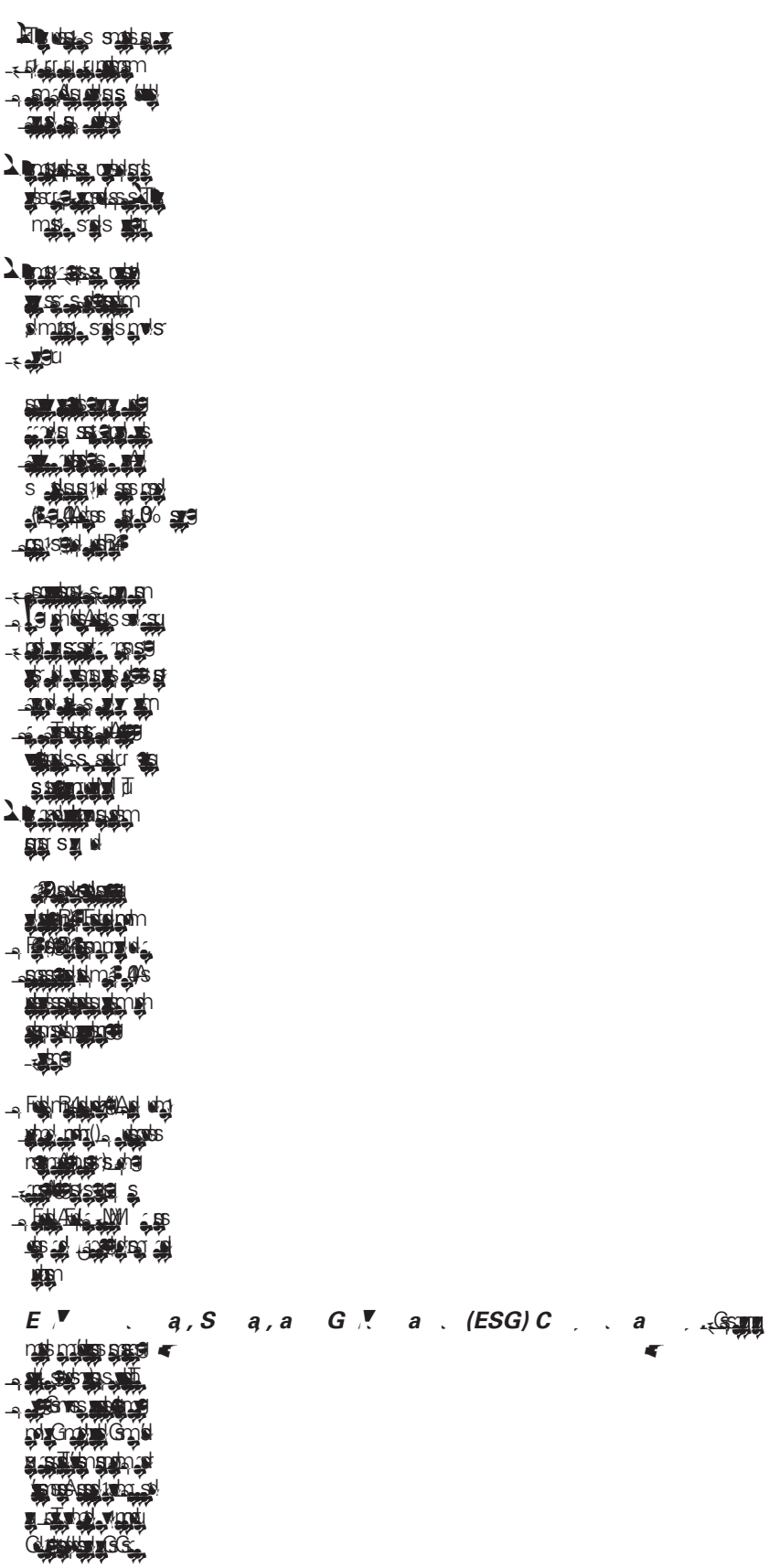


[illegible]

[illegible]

F S F C Ta a

F S F I C - a

F S R a Ma R

F C a a Θ F C a

[illegible]

[illegible]

[illegible]

F C a a Θ F C a R, [illegible]

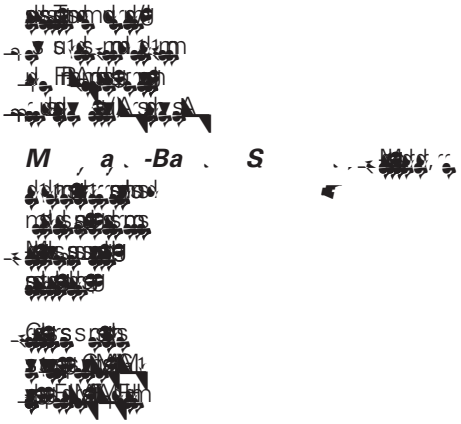
[illegible]

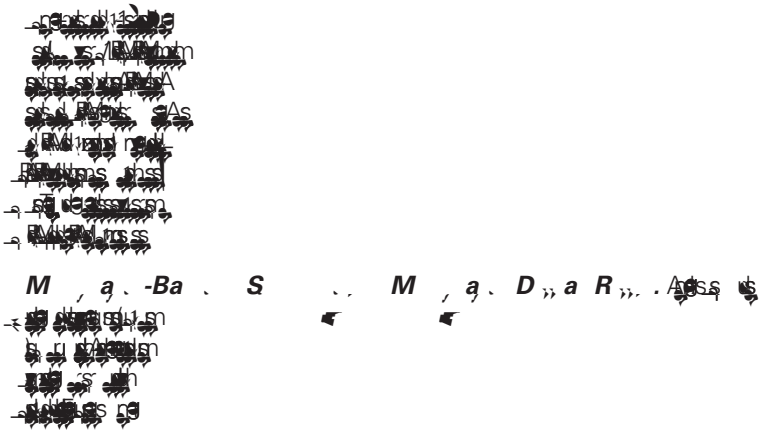
[illegible]

[illegible]

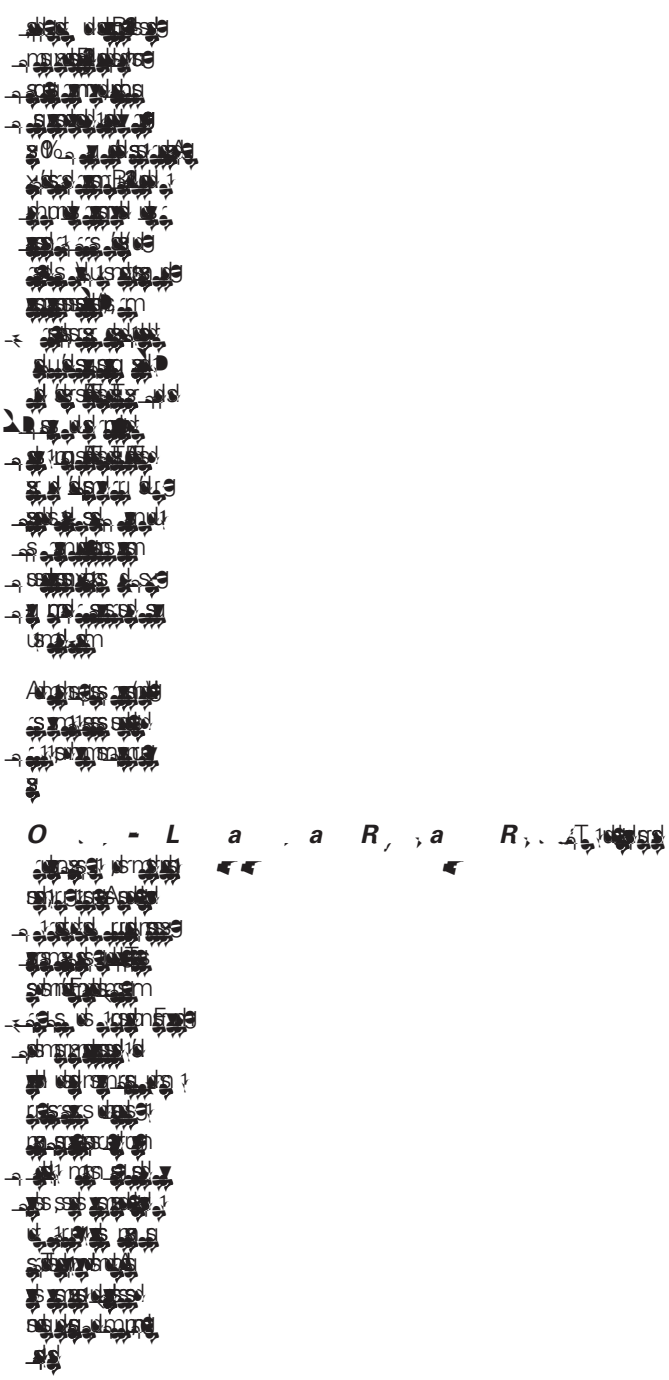
[illegible]

[illegible]





[illegible]



P a E .

R a E a I T (REIT).

R a S P , Da a P , a O T .

R- a A .

[illegible]

[illegible]

[illegible]

Ta Ma I REIT a O M a -R a I

[illegible]

Ta Ma Ma D P

[illegible]

Ta Ma Pa F I C - a

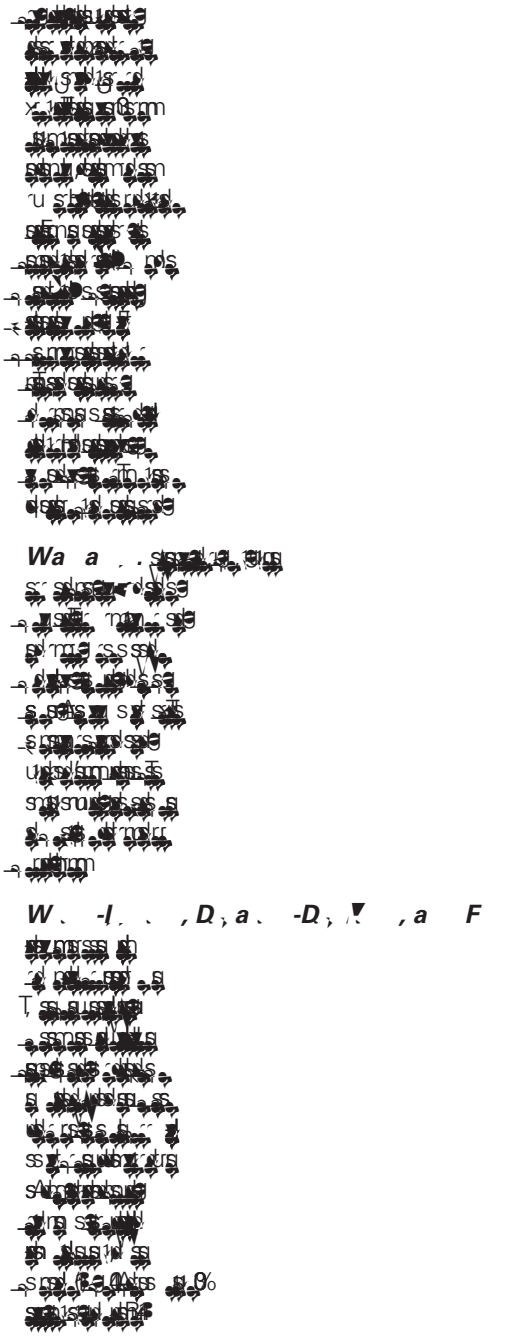
[illegible]

T D-

[illegible]

T P S

[illegible]



SHARE PRICE

- [illegible]
- [illegible]
- [illegible]
- [illegible]

- [illegible]
- [illegible]

- [illegible]
- [illegible]

net asset value [illegible]

PURCHASE AND REDEMPTION OF SHARES

Purchase of Shares other than ETF Shares

[illegible]

[illegible]

Right to Change Policies

[illegible]

Account Restrictions

[illegible]

MANAGEMENT OF THE FUNDS

Vanguard

[illegible]

Portfolio	2020	2021	2022
[illegible]	$[illegible]	$[illegible]	$[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Portfolio	2020	2021	2022
[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

For all Funds except the Fund-of-Fund Portfolios. [illegible]

Vanguard Fund	Capital Contribution to Vanguard	Percentage of Fund's Average Net Assets	Percent of Vanguard Funds' Contribution
[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]		
[illegible]	[illegible]		
[illegible]	[illegible]		
[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]		
[illegible]	[illegible]		
[illegible]	[illegible]		
[illegible]	[illegible]		
[illegible]	[illegible]		

Vanguard Fund	Capital Contribution to Vanguard	Percentage of Fund's Average Net Assets	Percent of Vanguard Funds' Contribution
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

F . F - .F P . [illegible]

[illegible]

[illegible]

Ma a [illegible]

D. b [illegible]

[illegible]

[illegible]

Annual Shared Fund Operating Expenses
(Shared Expenses Deducted From Fund Assets)

Vanguard Fund	2020	2021	2022
Balanced Portfolio			
[illegible]	0%	0%	0%
[illegible]	0	0	0
Capital Growth Portfolio			
[illegible]	0%	0%	0%
[illegible]	0	0	0
Diversified Value Portfolio			
[illegible]	0%	0%	0%
[illegible]	0	0	0
Equity Income Portfolio			
[illegible]	0%	0%	0%
[illegible]	0	0	0
Equity Index Portfolio			
[illegible]	0%	0%	0%
[illegible]	0	0	0
Growth Portfolio			
[illegible]	0%	0%	0%
[illegible]	0	0	0
High Yield Bond Portfolio			
[illegible]	0%	0%	0%
[illegible]	0	0	0
International Portfolio			
[illegible]	0%	0%	0%
[illegible]	0	0	0
Mid-Cap Index Portfolio			
[illegible]	0%	0%	0%
[illegible]	0	0	0
Money Market Portfolio			
[illegible]	0%	0%	0%
[illegible]	0	0	0
Real Estate Index Portfolio			
[illegible]	0%	0%	0%
[illegible]	0	0	0
Short-Term Investment-Grade Portfolio			
[illegible]	0%	0%	0%
[illegible]	0	0	0
Small Company Growth Portfolio			
[illegible]	0%	0%	0%
[illegible]	0	0	0
Total Bond Market Index Portfolio			
[illegible]	0%	0%	0%
[illegible]	0	0	0

Name, Year of Birth	Position(s) Held With Funds	Vanguard Funds' Trustee/ Officer Since	Principal Occupation(s) During the Past Five Years, Outside Directorships, and Other Experience	Number of Vanguard Funds Overseen by Trustee/Officer
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Trustee Compensation

VANGUARD VARIABLE INSURANCE FUNDS
TRUSTEES' COMPENSATION TABLE

Trustee	Aggregate Compensation From the Funds[1]	Total Compensation From All Vanguard Funds Paid to Trustees[2]
[illegible]		
Tu[illegible]	$[illegible]	$[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

1 The amounts shown in this column are based on the Trust's fiscal year ended December 31, 2022. Each Fund within the Trust (except for the [illegible] of funds) is r[illegible] proportionate share of these amounts.

2 The amounts reported in this column reflect the total compensation paid to each trustee for his or her service as trustee of 206 Vanguard funds for the 2[illegible]

Ownership of Fund Shares

[illegible]

Vanguard Fund	Owner	Percentage of Ownership
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Vanguard Fund	Owner	Percentage of Ownership
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]

Vanguard Fund	Owner	Percentage of Ownership
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Vanguard Fund	Owner	Percentage of Ownership
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Portfolio Holdings Disclosure Policies and Procedures

Introduction

[illegible]

[illegible]

Online Disclosure of Ten Largest Stock Holdings

[illegible] vanguard.com [illegible] vanguard.com [illegible] vanguard.com [illegible]

[illegible] advisors.vanguard.com.

Online Disclosure of Complete Portfolio Holdings

[illegible] vanguard.com [illegible] vanguard.com [illegible] vanguard.com [illegible] vanguard.com [illegible]

[illegible] advisors.vanguard.com.

Disclosure of Complete Portfolio Holdings to Service Providers Subject to Confidentiality and Trading Restrictions

[illegible]

[illegible]

Disclosure of Portfolio Holdings to Trading Counterparties in the Normal Course of Managing a Fund’s Assets

[illegible]

[illegible]

[illegible]

INVESTMENT ADVISORY AND OTHER SERVICES

[illegible]

Independent Third-Party Advisors

[illegible]

[illegible]

1. Other Accounts Managed

[illegible]

Portfolio Manager		No. of accounts	Total assets	No. of accounts with performance-based fees	Total assets in accounts with performance-based fees
[illegible]	[illegible][1]	7	[illegible]	0	$0
	[illegible]	2	[illegible]	0	$0
	[illegible]	2	[illegible]	0	$0
[illegible]	[illegible][1]	7	[illegible]	0	$0
	[illegible]	2	[illegible]	0	$0
	[illegible]	2	[illegible]	0	$0
[illegible]	[illegible][1]	7	[illegible]	0	$0
	[illegible]	2	[illegible]	0	$0
	[illegible]	2	[illegible]	0	$0
[illegible]	[illegible][1]	7	[illegible]	0	$0
	[illegible]	2	[illegible]	0	$0
	[illegible]	2	[illegible]	0	$0
[illegible]	[illegible][1]	7	[illegible]	0	$0
	[illegible]	2	[illegible]	0	$0
	[illegible]	2	[illegible]	0	$0

[1] Includes Capital Growth Portfolio which held assets of $1.4 billion as of December 31, 2022.

2. Material Conflicts of Interest

[illegible]

[illegible]

[illegible]

[illegible]

II. Diversified Value Portfolio

[illegible]

A. Hotchkis and Wiley Capital Management, LLC (Hotchkis and Wiley)

[illegible]

1. Other Accounts Managed

[illegible]

Portfolio Manager	No. of accounts	Total assets	No. of accounts with performance-based fees	Total assets in accounts with performance-based fees

[illegible]

B. Lazard Asset Management LLC (Lazard)

[illegible]

1. Other Accounts Managed

[illegible]

Portfolio Manager	No. of accounts	Total assets	No. of accounts with performance-based fees	Total assets in accounts with performance-based fees
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

1 Includes Diversified Value Portfolio which held assets of $1.1 billion as of December 31, 2022.

2. Material Conflicts of Interest

[illegible]

[illegible]

[illegible]

[illegible]

3. Description of Compensation

[illegible]

1. Other Accounts Managed

[illegible]

Baillie Gifford Overseas Ltd. (Baillie Gifford)

[illegible]

B. Schroder Investment Management North America Inc. (Schroders)

S S b-a A

3. Description of Compensation

[illegible]

[illegible]

[illegible]

V. Small Company Growth Portfolio

[illegible]

[illegible]

[illegible]

A. ArrowMark Colorado Holdings, LLC (ArrowMark Partners)

[illegible]

1. Other Accounts Managed

[illegible]

Portfolio Manager	No. of accounts	Total assets	No. of accounts with performance-based fees	Total assets in accounts with performance-based fees
[illegible]	[illegible][1]	7	$[illegible]	2	$ [illegible]
[illegible]	0	$ 0	0	$ 0
[illegible]	[illegible]	$[illegible]	2	$[illegible]
[illegible]	[illegible][1]	7	$[illegible]	2	$ [illegible]
[illegible]	0	$ 0	0	$ 0
[illegible]	[illegible]	$[illegible]	2	$[illegible]

1 Includes Small Company Growth Portfolio which held assets of $1.3 billion as of December 31, 2022.

2. Material Conflicts of Interest

[illegible]

[illegible]

[illegible]

3. Description of Compensation

[illegible]

1. Other Accounts Manag9.9(cce6lingto0ment)-27i5cave pbi0B3Tc[1.)-500(Other)e5s(T8(the)-277followell(by)-277.abl(t

B. Vanguard

1. Other Accounts Managed

Portfolio Manager	No. of accounts	Total assets	No. of accounts with performance-based fees	Total assets in accounts with performance-based fees
H [illegible]	1 2	$ [illegible]	0	$0
[illegible]	2	$[illegible]M	0	$0
[illegible]	0	$ [illegible]M	0	$0
M[illegible] 3	2 4	$ [illegible]	0	$0
[illegible]	0	$ [illegible]M	0	$0
[illegible]	0	$ [illegible]M	0	$0

1 Includes Equity Income Portfolio which held assets of $1.9 billionillionod DeE.8(or)-277E.8(oDeE.8(or)-2$E.8(o(aiaee7-1.5 T2 [(1)-221.8(I)0(ncludes)-227.8(H

[illegible]

1. Other Accounts Managed

[illegible]

Portfolio Manager	No. of accounts	Total assets	No. of accounts with performance-based fees	Total assets in accounts with performance-based fees
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

1 Includes Balanced Portfolio which held assets of $3.1 billion as of December 31, 2022

2. Material Conflicts of Interest

[illegible]

[illegible]

[illegible]

3. Description of Compensation

[illegible]

[illegible]

[illegible]

[illegible]

Vanguard Fund	2020	2021	2022
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

1. Other Accounts Managed

[illegible]

Portfolio Manager	No. of accounts	Total assets	No. of accounts with performance-based fees	Total assets in accounts with performance-based fees
[illegible][1]	4	$[illegible]		

[illegible]

[illegible]

Portfolio Manager	No. of accounts	Total assets	No. of accounts with performance-based fees	Total assets in accounts with performance-based fees
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

1 Includes Money Market Portfolio which held assets of $1.2 billion as of December 31, 2022.

[illegible]

[illegible]

Portfolio Manager	No. of accounts	Total assets	No. of accounts with performance-based fees	Total assets in accounts with performance-based fees
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

1 Includes Real Estate Index Portfolio which held assets of $1.1 billion as of December 31, 2022.

[illegible]

[illegible]

Portfolio Manager	No. of accounts	Total assets	No. of accounts with performance-based fees	Total assets in accounts with performance-based fees
1				

[illegible]

[illegible]

Vanguard Fund		Securities Lending Activities
Equity Index Portfolio		
Gross income from securities lending activities		$[illegible]
[illegible]		$0
[illegible]		
[illegible]	$1	
[illegible]		$[illegible]
[illegible]		$0
[illegible]		$[illegible]
[illegible]		$0
[illegible]	$[illegible]	
Net income from securities lending activities		**$19,089**
Growth Portfolio		
Gross income from securities lending activities		$[illegible]
[illegible]		$0
[illegible]		
[illegible]	$2	
[illegible]		$[illegible]
[illegible]		$0
[illegible]		$[illegible]
[illegible]		$0
[illegible]		$[illegible]
Net income from securities lending activities		**$5,755**
International Portfolio		
Gross income from securities lending activities		$[illegible]
[illegible]		$[illegible]
[illegible]		
[illegible]	$1	
[illegible]		$[illegible]
[illegible]		$0
[illegible]		$[illegible]
[illegible]		$0
[illegible]	$[illegible]	
Net income from securities lending activities		**$458,571**
Mid-Cap Index Portfolio		
Gross income from securities lending activities		$[illegible]
[illegible]		$0
[illegible]		
[illegible]	$[illegible]	
[illegible]		$[illegible]
[illegible]		$0
[illegible]		$[illegible]
[illegible]		$0
[illegible]	$[illegible]	
Net income from securities lending activities		**$493,253**

Vanguard Fund		2020	2021	2022
[illegible]	1	$ [illegible]	$ [illegible]	$ [illegible]
[illegible]		[illegible]	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]	[illegible]
[illegible]				
[illegible]		[illegible]	[illegible]	[illegible]
[illegible]	2	[illegible]		

PROXY VOTING

I. Proxy Voting Policies

[illegible]

[illegible] Appendix A. [illegible]

[illegible] Appendix B.

[illegible]

DESCRIPTION OF BOND RATINGS

Moody's Rating Symbols

The following describe characteristics of the global long-term (original maturity of 1 year or more) bond ratings provided by Moody's Investors Service, Inc. (Moody's):

Aaa

Aa

A

Baa

Ba

B

Caa

Ca

C

Moody's also supplies numerical indicators (1, 2, and 3) to rating categories. The modifier 1 indicates that the security is in the higher end of its rating category, the modifier 2 indicates a mid-range ranking, and the modifier 3 indicates a ranking toward the lower end of the category.

The following describe characteristics of the global short-term (original maturity of 13 months or less) bond ratings provided by Moody's. This ratings scale also applies to U.S. municipal tax-exempt commercial paper.

Prime-1 (P-1)

Prime-2 (P-2)

Prime-3 (P-3)

Not Prime (NP)

The following describe characteristics of the U.S. municipal short-term bond ratings provided by Moody's:

MIG 1

MIG 2

MIG 3

SG

Standard and Poor's Rating Symbols

The following describe characteristics of the long-term (original maturity of 1 year or more) bond ratings provided by Standard and Poor's:

AAA [illegible]

AA [illegible]

A [illegible]

BBB [illegible]

BB, B, CCC, CC, and C [illegible]

D [illegible]

The ratings from AA to CCC may be modified by the additionn defauluguvphesti7gbe CCC may benterestadditionTeo.8(ctiCf5pecula

Th [illegible]

BBB

capacity to investories.

BBB

D

IV. Evaluation of Proxies

[illegible]

V. Conflicts of Interest

[illegible]

VI. Shareholder Proposals

[illegible]

VII. Voting in Markets Outside the United States

[illegible]

Procedures for Identification and Voting of Proxies

- [illegible]

Proxy Review Procedures

[illegible]

Glass Lewis Oversight

[illegible] http://www.glasslewis.com/about-glass-lewis/ disclosure-of-conflict/).

Procedures for ArrowMark's Receipt of Class Actions

[illegible]

Recordkeeping

[illegible]

Disclosure

[illegible]

Proxy Solicitation

Baillie Gifford Proxy Voting Guidelines

[illegible]

[illegible]

A

[illegible]

[illegible]

Pragmatic & Flexible Approach

[illegible]

[illegible]

Conflicts of Interest

[illegible]

Hotchkis and Wiley ("H&W") Summary of Proxy Voting Policies and Procedures

INTRODUCTION

[illegible]

[illegible]

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Environmental Issues

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6. Executive and Board Compensation

[illegible]

7. Routine and Miscellaneous Matters

[illegible]

ONGOING REVIEW AND RESPONSIBILITIES

[illegible]

[illegible]

Lazard Proxy Voting Policies and Procedures

Introduction

[illegible]

[illegible]

Voting Process

[illegible]

Conflicts of Interest

[illegible]

P_{γ}

Proxy Voting Guidelines

[illegible]

- **Corporate Governance:** [illegible]

- **Compensation:** [illegible]

- **Capital Structure:** [illegible]

- **Environmental and Social Issues:** [illegible]

Proxy Voting Records

[illegible]

Annual Assessment

[illegible]

Schroders Proxy Voting Policy Summary

Proxy Voting General Principles

[illegible]

Corporate Governance Committee

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Conflicts

[illegible]

[illegible]

- [illegible]
- [illegible]
- [illegible]

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Voting Coverage

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Statement of Policy

Material Conflict of Interest Identification and Resolution Processes

Other Considerations