



## Vanguard Funds

### Supplement Dated June 5, 2024, to the Prospectuses

#### Important Changes to the Funds

In March 2024, the Board of Trustees of Vanguard Municipal Cash Management Fund (MCMT) approved (1) the reclassification of MCMT from an institutional tax-exempt money market fund to a short-term municipal bond fund, and (2) MCMT's name change to Vanguard Municipal Low Duration Fund.

#### Prospectus Text Changes

Under the "Cash Management" heading, the following replaces the first sentence:

The Fund's (for Vanguard Variable Insurance Funds, "The Portfolio's") daily cash balance may be invested in Vanguard Market Liquidity Fund, a low-cost money market fund, and/or Vanguard Municipal Low Duration Fund, a short-term municipal bond fund (each, a CMT Fund).



# Vanguard Variable Insurance Funds Global Bond Index Portfolio

April 26, 2024

Prospectus

This prospectus contains financial data for the Portfolio through the fiscal year ended December 31, 2023.

**The Securities and Exchange Commission (SEC) has not approved or disapproved these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

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# Portfolio Summary

## Investment Objective

The Portfolio seeks to track the performance of a benchmark index that measures the investment return of the global, investment-grade, fixed income market.

## Fees and Expenses

The following table describes the fees and expenses you may pay if you buy, hold, and sell shares of the Portfolio. The expenses shown in the table and in the example that follows do not reflect additional fees and expenses associated with the annuity or life insurance program through which you invest. If those additional fees and expenses were included, overall expenses would be higher.

## Annual Portfolio Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.00%
12b-1 Distribution Fee	None
Other Expenses	0.00%
Acquired Fund Fees and Expenses	0.13%
Total Annual Portfolio Operating Expenses	0.13%

## Example

The following example is intended to help you compare the cost of investing in the Portfolio (based on the fees and expenses of the acquired funds) with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you were to invest \$10,000 in the Portfolio's shares. This example assumes that the Portfolio provides a return of 5% each year and that total annual operating expenses (of the Portfolio and its underlying funds) remain as stated in the preceding table. You would incur these hypothetical expenses whether or not you were to redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$13	\$42	\$73	\$166

## Portfolio Turnover

The Portfolio may pay transaction costs, such as purchase fees, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs. These costs, which are not reflected in

annual portfolio operating expenses or in the previous expense example, reduce the Portfolio's performance. During the most recent fiscal year, the Portfolio's turnover rate was 8% of the average value of its portfolio.

### **Principal Investment Strategies**

Vanguard Variable Insurance Funds Global Bond Index Portfolio (the Global Bond Index Portfolio) invests in a mix of Vanguard mutual funds and Vanguard Variable Insurance Funds (VVIF) portfolios (underlying funds) according to an asset-allocation strategy that reflects an allocation of approximately 70% of the Portfolio's assets to domestic fixed income securities and 30% to non-U.S. fixed income securities. Through this asset allocation strategy, the Portfolio seeks to track the investment performance of the Global Bond Composite Index, a composite index consisting of 70% Bloomberg U.S. Aggregate Float Adjusted Index and 30% Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged).

The Portfolio currently employs this strategy by investing in one Vanguard mutual fund and one VVIF portfolio. The Portfolio's indirect fixed income holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; mortgage-backed and asset-backed securities; and government, agency, corporate, and investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard, typically with foreign currency exchange forward contracts, to minimize foreign currency exposure).

Under normal circumstances, the Portfolio will invest at least 80%, and usually all or substantially all, of its assets in underlying funds that together seek to track the Portfolio's target index.

The board of trustees of Vanguard Variable Insurance Funds may change the mix of underlying funds or the targeted allocation to the underlying asset classes and index without shareholder approval.

## Principal Risks

An investment in the Portfolio could lose money over short or long periods of time. You should expect the Portfolio's share price and total return to fluctuate within a wide range, like the fluctuations of the global fixed income market. The Portfolio is subject to the following risks, which could affect the Portfolio's performance, and the level of risk may vary based on market conditions:

- *Interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates. Interest rate risk should be moderate for the Portfolio because the underlying funds primarily invest in short- and intermediate-term bonds, whose prices are less sensitive to interest rate changes.
- *Credit risk*, which is the chance that the issuer of a security will fail to pay interest or principal in a timely manner or that negative perceptions of the issuer's ability to make such payments will cause the price of that security to decline, thus reducing an underlying fund's return.
- *Income risk*, which is the chance that an underlying fund's income will decline because of falling interest rates. Income risk is generally high for short-term bond funds and moderate for intermediate-term bond funds, so investors should expect the Portfolio's monthly income to fluctuate accordingly.
- *Call risk*, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (redeem) securities with higher coupon rates or interest rates before their maturity dates. An underlying fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, which may reduce the Portfolio's income.
- *Prepayment risk*, which is the chance that during periods of falling interest rates, homeowners will refinance their mortgages before their maturity dates, resulting in prepayment of mortgage-backed securities held by an underlying fund. The underlying fund would then lose any price appreciation above the mortgage's principal and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund's income.
- *Extension risk*, which is the chance that during periods of rising interest rates, certain debt securities will be paid off substantially more slowly than originally anticipated, and the value of those securities may fall. For funds that invest in mortgage-backed securities, extension risk is the chance that during periods of rising interest rates, homeowners will repay their mortgages at slower rates.
- *Liquidity risk*, which is the chance that an underlying fund may not be able to sell a security in a timely manner at a desired price.

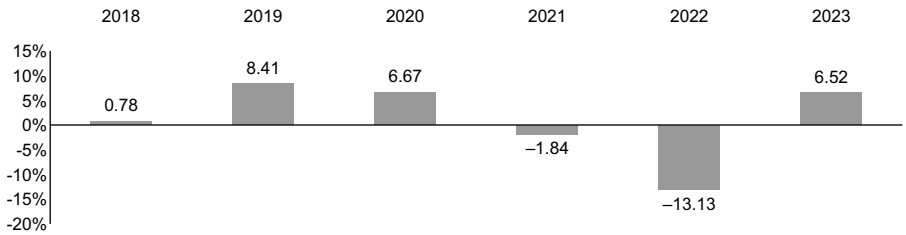
- *Country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value and/or liquidity of securities issued by foreign governments, government agencies, or companies. Because an underlying fund may invest a large portion of its assets in bonds of issuers located in any one country or region, the Portfolio's performance may be hurt disproportionately by the poor performance of the underlying fund's investments in that area.
- *Currency hedging risk*, which is the chance that the currency hedging transactions entered into by the underlying international bond fund may not perfectly offset the fund's foreign currency exposure.
- *Nondiversification risk*, which is the chance that the Portfolio's performance may be hurt disproportionately by the poor performance of bonds issued by just a few issuers or even a single issuer. One of the underlying funds is considered nondiversified, which means that it may invest a significant percentage of its assets in bonds issued by a small number of issuers.
- *Index sampling risk*, which is the chance that the securities selected for an underlying fund, in the aggregate, will not provide investment performance matching that of the underlying fund's target index.

**An investment in the Portfolio is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.**

### **Annual Total Returns**

The following bar chart and table are intended to help you understand the risks of investing in the Portfolio. The bar chart shows how the performance of the Portfolio has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns of the Portfolio compare with those of a composite index and another comparative index, which have investment characteristics similar to those of the Portfolio. The Portfolio's returns are net of its expenses but do not reflect additional fees and expenses that are deducted by the annuity or life insurance program through which you invest. If such fees and expenses were included in the calculation of the Portfolio's returns, the returns would be lower. Keep in mind that the Portfolio's past performance does not indicate how the Portfolio will perform in the future. Updated performance information is available on our website for Financial Advisors at [advisors.vanguard.com](http://advisors.vanguard.com) or by calling Vanguard toll-free at 800-522-5555.

**Annual Total Returns — Global Bond Index Portfolio**



During the periods shown in the bar chart, the highest and lowest returns for a calendar quarter were:

	Total Return	Quarter
Highest	6.65%	December 31, 2023
Lowest	-5.72%	March 31, 2022

**Average Annual Total Returns for Periods Ended December 31, 2023**

	1 Year	5 Years	Since Fund Inception	Fund Inception Date
<b>Global Bond Index Portfolio</b>	6.52%	0.99%	0.88%	09/07/2017
<b>Global Bond Composite Index in USD</b> (reflects no deduction for fees, expenses, or taxes)	6.56%	1.14%	1.02%	
<b>Bloomberg Global Aggregate Float Adjusted Index Hedged in USD</b> (reflects no deduction for fees, expenses, or taxes)	7.31	1.48	1.45	

**Investment Advisor**

The Vanguard Group, Inc. (Vanguard)

**Portfolio Manager**

Joshua C. Barrickman, CFA, Principal of Vanguard and co-head of Vanguard’s Fixed Income Indexing Americas. He has managed the Portfolio since its inception in 2017.




**Tax Information**

The Portfolio normally distributes its net investment income and net realized capital gains, if any, to its shareholders, which are the insurance company separate accounts that sponsor your variable annuity or variable life insurance contract. The tax consequences to you of your investment in the Portfolio depend on the provisions of the annuity or life insurance contract through which you invest. For more information on taxes, please refer to the prospectus of the annuity or life insurance contract through which Portfolio shares are offered.

**Payments to Financial Intermediaries**

The Portfolio and its investment advisor do not pay financial intermediaries for sales of Portfolio shares.

## More on the Portfolio

This prospectus describes the principal risks you would face as an investor in this Portfolio. It is important to keep in mind one of the main principles of investing: generally, the higher the risk of losing money, the higher the potential reward. The reverse, also, is generally true: the lower the risk, the lower the potential reward. As you consider an investment in any mutual fund, you should take into account your personal tolerance for fluctuations in the securities markets. Look for this  symbol throughout the prospectus. It is used to mark detailed information about the more significant risks that you would confront as a Portfolio investor. To highlight terms and concepts important to mutual fund investors, we have provided Plain Talk<sup>®</sup> explanations along the way. Reading the prospectus will help you decide whether the Portfolio is the right investment for you. We suggest that you keep this prospectus for future reference.

### **A Note About Vanguard Variable Insurance Funds**

The Global Bond Index Portfolio of Vanguard Variable Insurance Funds is a mutual fund used solely as an investment option for annuity or life insurance contracts offered by insurance companies. This means that you cannot purchase shares of the Portfolio directly, but only through a contract offered by an insurance company.

The Global Bond Index Portfolio is separate from other Vanguard mutual funds, even when the Portfolio and a Vanguard mutual fund have the same investment objective and advisor. The Portfolio's investment performance will differ from the performance of other Vanguard funds because of differences in the securities held and because of administrative and insurance costs associated with the annuity or life insurance program through which you invest.

### Plain Talk About Costs of Investing

Costs are an important consideration in choosing a mutual fund. That is because you, as a contract owner, pay a proportionate share of the costs of operating a fund and any transaction costs incurred when the fund buys or sells securities. These costs can erode a substantial portion of the gross income or the capital appreciation a fund achieves. Even seemingly small differences in expenses can, over time, have a dramatic effect on a fund's performance.

The following sections explain the principal investment strategies and policies that the Portfolio uses in pursuit of its investment objective. The board of trustees of Vanguard Variable Insurance Funds (the Board), which oversees the Portfolio's management, may change investment strategies or policies in the interest of shareholders without a shareholder vote, unless those strategies or

policies are designated as fundamental. Note that the Portfolio's investment objective is not fundamental and may be changed without a shareholder vote. As a "fund of funds," the Portfolio seeks to achieve its investment objective by investing in other Vanguard funds. Under normal circumstances, the Portfolio will invest at least 80%, and usually all or substantially all, of its assets in underlying funds that together seek to track the Portfolio's target index. The Portfolio may change its 80% policy only upon 60 days' notice to shareholders.

## Market Exposure

To achieve exposure to fixed income securities, the Portfolio invests in shares of other mutual funds.

### Plain Talk About International Investing

U.S. investors who invest in foreign securities will encounter risks not typically associated with U.S. companies because foreign stock and bond markets operate differently from the U.S. markets. For instance, foreign companies and governments may not be subject to the same or similar auditing, legal, tax, regulatory, financial reporting, accounting, and recordkeeping standards and practices as U.S. companies and the U.S. government, and their stocks and bonds may not be as liquid as those of similar U.S. entities. In addition, foreign stock exchanges, brokers, companies, bond markets, and dealers may be subject to different levels of government supervision and regulation than their counterparts in the United States. Further, the imposition of economic or other sanctions on the United States by a foreign country, or on a foreign country or issuer by the United States, could impair a fund's ability to buy, sell, hold, receive, deliver, or otherwise transact in certain investment securities or obtain exposure to foreign securities and assets. These factors, among others, could negatively affect the returns U.S. investors receive from foreign investments.



*The Portfolio is subject to country/regional risk. Country/regional risk is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value and/or liquidity of securities issued by foreign governments, government agencies, or companies. Because the underlying funds in which the Portfolio invests may invest a large portion of their assets in bonds of issuers located in any one country or region, the Portfolio's performance may be hurt disproportionately by the poor performance of the underlying funds' investments in that area.*



*The Portfolio is subject to interest rate risk, which is the chance that bond prices overall will decline because of rising interest rates. Interest rate risk should be moderate for the Portfolio because the underlying funds primarily invest in short- and intermediate-term bonds, whose prices are less sensitive to interest rate changes.*

Although fixed income securities (commonly referred to as bonds) are often thought to be less risky than stocks, there have been periods when bond prices have fallen significantly because of rising interest rates. For instance, prices of long-term bonds fell by almost 48% between December 1976 and September 1981.

To illustrate the relationship between bond prices and interest rates, the following table shows the effect of a 1% and a 2% change (both up and down) in interest rates on the values of three noncallable bonds (i.e., bonds that cannot be redeemed by the issuer) of different maturities, each with a face value of \$1,000.

#### **How Interest Rate Changes Affect the Value of a \$1,000 Bond<sup>1</sup>**

<b>Type of Bond (Maturity)</b>	<b>After a 1% Increase</b>	<b>After a 1% Decrease</b>	<b>After a 2% Increase</b>	<b>After a 2% Decrease</b>
Short-Term (2.5 years)	\$977	\$1,024	\$954	\$1,049
Intermediate-Term (10 years)	922	1,086	851	1,180
Long-Term (20 years)	874	1,150	769	1,328

<sup>1</sup> Assuming a 4% coupon rate.

These figures are for illustration only; you should not regard them as an indication of future performance of the bond market as a whole or the Portfolio in particular.

## Plain Talk About Bonds and Interest Rates

As a rule, when interest rates rise, bond prices fall. The opposite is also true: bond prices go up when interest rates fall. Why do bond prices and interest rates move in opposite directions? Let's assume that you hold a bond offering a 4% yield. A year later, interest rates are on the rise and bonds of comparable quality and maturity are offered with a 5% yield. With higher-yielding bonds available, you would have trouble selling your 4% bond for the price you paid—you would probably have to lower your asking price. On the other hand, if interest rates were falling and 3% bonds were being offered, you should be able to sell your 4% bond for more than you paid.

*How mortgage-backed securities are different:* In general, declining interest rates will not lift the prices of mortgage-backed securities—such as those guaranteed by the Government National Mortgage Association—as much as the prices of comparable bonds. Why? Because when interest rates fall, the bond market tends to discount the prices of mortgage-backed securities for prepayment risk—the possibility that homeowners will refinance their mortgages at lower rates and cause the bonds to be paid off prior to maturity. In part to compensate for this prepayment possibility, mortgage-backed securities tend to offer higher yields than other bonds of comparable credit quality and maturity. In contrast, when interest rates rise, prepayments tend to slow down, subjecting mortgage-backed securities to extension risk—the possibility that homeowners will repay their mortgages at slower rates. This will lengthen the duration or average life of mortgage-backed securities held by a fund and delay the fund's ability to reinvest proceeds at higher interest rates, making the fund more sensitive to changes in interest rates.

Changes in interest rates can affect bond *income* as well as bond *prices*.



*The Portfolio is subject to income risk, which is the chance that an underlying fund's income will decline because of falling interest rates. Income risk is generally high for short-term bond funds and moderate for intermediate-term bond funds, so investors should expect the Portfolio's monthly income to fluctuate accordingly.*

## Plain Talk About Bond Maturities

A bond is issued with a specific maturity date—the date when the issuer must pay back the bond’s principal (face value). Bond maturities range from less than 1 year to more than 30 years. Typically, the longer a bond’s maturity, the more price risk you, as a bond investor, will face as interest rates rise—but also the higher the potential yield you could receive. Longer-term bonds are generally more suitable for investors willing to take a greater risk of price fluctuations to get higher and more stable interest income. Shorter-term bond investors should be willing to accept lower yields and greater income variability in return for less fluctuation in the value of their investment. The stated maturity of a bond may differ from the effective maturity of a bond, which takes into consideration that an action such as a call or refunding may cause bonds to be repaid before their stated maturity dates.

Although falling interest rates tend to strengthen bond prices, they can cause other problems for bond fund investors—bond calls and prepayments.



*The Portfolio is subject to call risk, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (redeem) securities with higher coupon rates or interest rates before their maturity dates. An underlying fund would then lose any price appreciation above the bond’s call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, which may reduce the Portfolio’s income.*



*The Portfolio is subject to prepayment risk, which is the chance that during periods of falling interest rates, homeowners will refinance their mortgages before their maturity dates, resulting in prepayment of mortgage-backed securities held by an underlying fund. The underlying fund would then lose any price appreciation above the mortgage’s principal and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund’s income.*

Call/prepayment risk applies mainly to intermediate- and long-term corporate bonds and mortgage-backed securities.



*The Portfolio is subject to extension risk, which is the chance that during periods of rising interest rates, certain debt securities will be paid off substantially more slowly than originally anticipated, and the value of those securities may fall. For funds that invest in mortgage-backed securities, extension risk is the chance that during periods of rising interest rates, homeowners will repay their mortgages at slower rates.*

## Plain Talk About Callable Bonds

Although bonds are issued with clearly defined maturities, in some cases the bond issuer has a right to call in (redeem) the bond earlier than its maturity date. When a bond is called, the bondholder may have to replace it with another bond with a lower yield than the original bond. One way for bond investors to protect themselves against call risk is to purchase a bond early in its lifetime, long before its call date. Another way is to buy bonds with lower coupon rates or interest rates, which make them less likely to be called.



*The Portfolio is subject to credit risk, which is the chance that the issuer of a security will fail to pay interest or principal in a timely manner or that negative perceptions of the issuer's ability to make such payments will cause the price of that security to decline, thus reducing an underlying fund's return.*

The credit quality of most of the bonds held by the underlying funds is expected to be very high, and thus credit risk for the Portfolio is expected to be low.



*The Portfolio is subject to liquidity risk, which is the chance that an underlying fund may not be able to sell a security in a timely manner at a desired price.*

Corporate bonds are traded among dealers and brokers that connect buyers with sellers. Liquidity in the corporate bond market may be challenged depending on overall economic conditions and credit tightening. There may be little trading in the secondary market for particular bonds and other debt securities, which may make them more difficult to value or sell.

To a limited extent, the Portfolio is also indirectly exposed to event risk, which is the chance that corporate fixed income securities held by the underlying funds may suffer a substantial decline in credit quality and market value because of a corporate restructuring.



*The Portfolio is subject to currency hedging risk, which is the chance that the currency hedging transactions entered into by the underlying international bond fund may not perfectly offset the fund's foreign currency exposure.*

Market disruptions can adversely affect local and global markets as well as normal market conditions and operations. Any such disruptions could have an adverse impact on the value of the Portfolio's investments and Portfolio performance.

## Security Selection

The Portfolio is a fund of funds that invests in a mix of Vanguard Variable Insurance Funds portfolios and Vanguard mutual funds (underlying funds) according to an asset-allocation strategy that reflects an allocation of approximately 70% of its assets to domestic fixed income securities and 30% of its assets to non-U.S. fixed income securities. The Board allocates the Portfolio's assets among the underlying funds based on the Portfolio's investment objective and allocation strategy. The Board may authorize the Portfolio to add or remove underlying funds without shareholder approval. Additionally, the Board may increase or decrease the percentage of assets invested in any particular underlying fund without advance notice to shareholders.

The following paragraphs briefly describe the asset classes in which the Portfolio currently invests through its underlying funds.

- U.S. fixed income securities generally consist of fixed income securities included in the Bloomberg U.S. Aggregate Float Adjusted Index. The Bloomberg U.S. Aggregate Float Adjusted Index measures the performance of a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—all with maturities of more than 1 year. The Portfolio currently intends to obtain this exposure by investing in Vanguard Variable Insurance Funds Total Bond Market Index Portfolio.
- Non-U.S. fixed income securities generally consist of fixed income securities included in the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged). This Index provides a broad-based measure of the global, investment-grade, fixed-rate debt markets. The Index includes government, government agency, corporate, and securitized non-U.S. investment-grade fixed income investments, all issued in currencies other than the U.S. dollar (but hedged by Vanguard, typically with foreign currency exchange forward contracts, to minimize foreign currency exposure) and with maturities of more than 1 year. The Portfolio currently intends to obtain this exposure by investing in Vanguard Total International Bond Index Fund.



*The Portfolio is subject to index sampling risk, which is the chance that the securities selected for an underlying fund, in the aggregate, will not provide investment performance matching that of the underlying fund's target index.*



## Other Investment Policies and Risks

The Portfolio reserves the right to substitute a different index for the index it currently tracks if the current index is discontinued, if the Portfolio's agreement with the sponsor of its target index is terminated, or for any other reason determined in good faith by the Board. In any such instance, the substitute index would represent the same market segment as the current index.



*The Portfolio may invest in derivatives. In general, investments in derivatives may involve risks different from, and possibly greater than, those of investments directly in the underlying securities or assets.*

Each underlying fund may also invest, to a limited extent, in derivatives. Generally speaking, a derivative is a financial contract whose value is based on the value of a financial asset (such as a stock, a bond, or a currency), a physical asset (such as gold, oil, or wheat), a market index, or a reference rate. Investments in derivatives may subject the underlying funds to risks different from, and possibly greater than, those of investments directly in the underlying securities or assets. The underlying funds will not use derivatives for speculation or for the purpose of leveraging (magnifying) investment returns.

### Plain Talk About Derivatives

Derivatives can take many forms. Some forms of derivatives—such as exchange-traded futures and options on securities, commodities, or indexes—have been trading on regulated exchanges for decades. These types of derivatives are standardized contracts that can easily be bought and sold and whose market values are determined and published daily. On the other hand, non-exchange-traded derivatives—such as certain swap agreements and foreign currency exchange forward contracts—tend to be more specialized or complex and may be more difficult to accurately value.

## Cash Management

The Portfolio's daily cash balance may be invested in Vanguard Market Liquidity Fund and/or Vanguard Municipal Cash Management Fund (each, a CMT Fund), which are low-cost money market funds. When investing in a CMT Fund, the Portfolio bears its proportionate share of the expenses of the CMT Fund in which it invests. Vanguard receives no additional revenue from Portfolio assets invested in a CMT Fund.

## Temporary Investment Measures

The Portfolio may temporarily depart from its normal investment policies and strategies when the advisor believes that doing so is in the Portfolio's best interest, so long as the strategy or policy employed is consistent with the Portfolio's investment objective. For instance, the Portfolio may invest beyond its normal limits in derivatives or exchange-traded funds that are consistent with the Portfolio's investment objective when those instruments are more favorably priced or provide needed liquidity, as might be the case when the Portfolio receives large cash flows that it cannot prudently invest immediately.

## Frequent Trading or Market-Timing

**Background.** Some investors try to profit from strategies involving frequent trading of mutual fund shares, such as market-timing. For funds holding foreign securities, investors may try to take advantage of an anticipated difference between the price of the fund's shares and price movements in overseas markets, a practice also known as time-zone arbitrage. Investors also may try to engage in frequent trading of funds holding investments such as small-cap stocks and high-yield bonds. As money is shifted into and out of a fund by an investor engaging in frequent trading, the fund incurs costs for buying and selling securities, resulting in increased brokerage and administrative costs. These costs are borne by *all* fund investors, including the long-term investors who do not generate the costs. In addition, frequent trading may interfere with an advisor's ability to efficiently manage the fund.

**Policies to address frequent trading.** The Vanguard funds (other than money market funds and short-term bond funds, but including Vanguard Short-Term Inflation-Protected Securities Index Fund) do not knowingly accommodate frequent trading. The board of trustees of each Vanguard fund (other than money market funds and short-term bond funds, but including Vanguard Short-Term Inflation-Protected Securities Index Fund) has adopted policies and procedures reasonably designed to detect and discourage frequent trading and, in some cases, to compensate the fund for the costs associated with it. These policies and procedures do not apply to ETF Shares because frequent trading in ETF Shares generally does not disrupt portfolio management or otherwise harm fund investors. Although there is no assurance that Vanguard will be able to detect or prevent frequent trading or market-timing in all circumstances, the following policies have been adopted to address these issues:

- Each Vanguard fund reserves the right to reject any purchase request—including exchanges from other Vanguard funds—without notice and regardless of size. For example, a purchase request could be rejected because the investor has a history of frequent trading or if Vanguard determines that such purchase may negatively affect a fund's operation or performance.

- Certain Vanguard funds charge investors purchase and/or redemption fees on transactions.

You may purchase or sell Portfolio shares through a contract offered by an insurance company. When insurance companies establish omnibus accounts in the Portfolio for their clients, we cannot monitor the individual clients' trading activity. However, we review trading activity at the omnibus account level, and we look for activity that may indicate potential frequent trading or market-timing. If we detect suspicious trading activity, we will seek the assistance of the insurance company to investigate that trading activity and take appropriate action, including prohibiting additional purchases of Portfolio shares by a client. Insurance companies may apply frequent-trading policies that differ from one another. Please read the insurance company contract and program materials carefully to learn of any rules or fees that may apply.

**See the accompanying prospectus for the annuity or insurance program through which Portfolio shares are offered for further details on transaction policies.**

The Portfolio, in determining its net asset value, will use fair-value pricing when appropriate, as described in the *Share Price* section. Fair-value pricing may reduce or eliminate the profitability of certain frequent-trading strategies.

**Do not invest with Vanguard if you are a market-timer.**

**A precautionary note to investment companies:** The Portfolio's shares are issued by a registered investment company, and therefore the acquisition of such shares by other investment companies and private funds is subject to the restrictions of Section 12(d)(1) of the Investment Company Act of 1940 (the 1940 Act). SEC Rule 12d1-4 under the 1940 Act permits registered investment companies to invest in other registered investment companies beyond the limits in Section 12(d)(1), subject to certain conditions, including that funds with different investment advisors must enter into a fund of funds investment agreement.

### **Turnover Rate**

A mutual fund's turnover rate is a measure of its trading activity. The Portfolio may sell shares of the underlying funds regardless of how long they have been held. The historical turnover rates for the Portfolio can be found in the **Financial Highlights** section of this prospectus. A turnover rate of 100%, for example, would mean that the Portfolio had sold and replaced shares of the underlying funds valued at 100% of its net assets within a one-year period. In general, the greater the turnover rate, the greater the impact transaction costs will have on a fund's return. Also, funds with high turnover rates may be more likely to generate

capital gains, including short-term capital gains, that must be distributed to shareholders and will be taxable to shareholders investing through a taxable account.

## **The Portfolio and Vanguard**

The Portfolio is a member of The Vanguard Group, Inc. (Vanguard), a family of over 200 funds. All of the funds that are members of Vanguard (other than funds of funds) share in the expenses associated with administrative services and business operations, such as personnel, office space, and equipment.

Vanguard Marketing Corporation provides marketing services to the funds. Although fund shareholders do not pay sales commissions or 12b-1 distribution fees, each fund (other than a fund of funds) or each share class of a fund (in the case of a fund with multiple share classes) pays its allocated share of the Vanguard funds' marketing costs.

According to an agreement applicable to the Portfolio and Vanguard, the Portfolio's direct expenses may be offset by (1) the Portfolio's contributions to the costs of operating the underlying Vanguard funds in which the Portfolio invests, and (2) certain savings in administrative and marketing costs that Vanguard expects to derive from the Portfolio's operation.

Accordingly, all expenses for services provided by Vanguard to the Portfolio and all other expenses incurred by the Portfolio are expected to be borne by the underlying funds. The Portfolio's shareholders bear the fees and expenses associated with the Portfolio's investments in the underlying funds.

### **Plain Talk About Vanguard's Unique Corporate Structure**

Vanguard is owned jointly by the funds it oversees and thus indirectly by the shareholders in those funds. Most other mutual funds are operated by management companies that are owned by third parties—either public or private stockholders—and not by the funds they serve.

## **Investment Advisor**

The Portfolio receives investment advisory services indirectly, by investing in other Vanguard funds. The Vanguard Group, Inc., P. O. Box 2600, Valley Forge, PA 19482, which began operations in 1975, provides investment advisory services to the Portfolio, a fund of funds, through its Fixed Income Group by (1)

maintaining the Portfolio's allocation to its underlying investments, and (2) providing investment advisory services to those underlying funds pursuant to the Funds' Service Agreement and subject to the supervision and oversight of the trustees and officers of the underlying funds. As of December 31, 2023, Vanguard served as advisor for approximately \$7.2 trillion in assets. Vanguard provides investment advisory services to the Portfolio pursuant to the Funds' Service Agreement and subject to the supervision and oversight of the trustees and officers of Vanguard Variable Insurance Funds.

Under the terms of an SEC exemption, the board of trustees of Vanguard Variable Insurance Funds may, without prior approval from shareholders, change the terms of an advisory agreement with a third-party investment advisor or hire a new third-party investment advisor—either as a replacement for an existing advisor or as an additional advisor. Any significant change in the Portfolio's advisory arrangements will be communicated to shareholders in writing. As the Portfolio's sponsor and overall manager, Vanguard may provide investment advisory services to the Portfolio at any time. Vanguard may also recommend to the board of trustees that an advisor be hired, terminated, or replaced or that the terms of an existing advisory agreement be revised. Vanguard Variable Insurance Funds has filed an application seeking a similar SEC exemption with respect to investment advisors that are wholly owned subsidiaries of Vanguard. If the exemption is granted, the Portfolio may rely on the new SEC relief.

For a discussion of why the Board approved the Portfolio's investment advisory arrangement, see the most recent semiannual report to shareholders covering the fiscal period ended June 30.

The manager primarily responsible for the day-to-day management of the Portfolio is:

**Joshua C. Barrickman**, CFA, Principal of Vanguard and co-head of Vanguard's Fixed Income Indexing Americas. He has been with Vanguard since 1998, has worked in investment management since 1999, has managed investment portfolios since 2005, and has managed the Portfolio since its inception in 2017. Education: B.S., Ohio Northern University; M.B.A., Lehigh University.

The Portfolio's *Statement of Additional Information* provides information about the portfolio manager's compensation, other accounts under management, and ownership of shares of the Portfolio.

## Taxes

The Portfolio normally distributes its net investment income and net realized short-term or long-term capital gains, if any, to its shareholders, which are the insurance company separate accounts that fund your variable annuity or variable life insurance contract. From time to time, the Portfolio may also make distributions that are treated as a return of capital. The tax consequences to you of your investment in the Portfolio depend on the provisions of the annuity or life insurance contract through which you invest; please refer to the prospectus of such contract for more information.

The Portfolio intends to operate in such a manner that a separate account investing only in Portfolio shares will result in the variable annuity and variable life insurance contracts supported by that account receiving favorable tax treatment. This favorable treatment means that you generally will not be taxed on Portfolio distributions or proceeds on dispositions of Portfolio shares received by the separate account funding your contract. In order to qualify for this favorable treatment, the insurance company separate accounts that invest in the Portfolio must satisfy certain requirements. If a Portfolio funding your contract does not meet such requirements, your contract could lose its favorable tax treatment and income and gain allocable to your contract could be taxable to you. Also, if the IRS were to determine that contract holders have an impermissible level of control over the investments funding their contracts, your contract could lose its favorable tax treatment and income and gain allocable to your contract could be taxable to you. Please see the Portfolio's *Statement of Additional Information* for more information.

## Share Price

Share price, also known as *net asset value* (NAV), is calculated as of the close of regular trading on the New York Stock Exchange (NYSE), generally 4 p.m., Eastern time, on each day that the NYSE is open for business (a business day). In the rare event the NYSE experiences unanticipated disruptions and is unavailable at the close of the trading day, NAVs will be calculated as of the close of regular trading on the Nasdaq (or another alternate exchange if the Nasdaq is unavailable, as determined at Vanguard's discretion), generally 4 p.m., Eastern time. The NAV per share is computed by dividing the total assets, minus liabilities, of the Portfolio by the number of Portfolio shares outstanding. On U.S. holidays or other days when the NYSE is closed, the NAV is not calculated, and the Portfolio does not sell or redeem shares. The underlying Vanguard funds in which the Portfolio invests also do not calculate their NAV on days when the

NYSE is closed but the value of their assets may be affected to the extent that they hold securities that change in value on those days (such as foreign securities that trade on foreign markets that are open).

The Portfolio's NAV is calculated based upon the values of each underlying fund in which the Portfolio invests. The values of any foreign securities held by a fund are converted into U.S. dollars using an exchange rate obtained from an independent third party as of the close of regular trading on the NYSE. The values of any underlying fund shares held by the Portfolio are based on the NAVs of the shares. The values of any ETF shares held by the Portfolio are based on the market value of the shares. The prospectus for each underlying fund explains the circumstances under which each underlying fund will use fair-value pricing and the effects of doing so.

The Portfolio's NAV is used to determine the unit value for the annuity or life insurance program through which you invest. For more information on unit values, please refer to the accompanying prospectus of the insurance company that offers your annuity or life insurance program.

## Financial Highlights

Financial highlights information is intended to help you understand a fund's performance for the past five years (or, if shorter, its period of operations). Certain information reflects financial results for a single fund share. Total return represents the rate that an investor would have earned or lost each period on an investment in a fund or share class (assuming reinvestment of all distributions). This information has been obtained from the financial statements audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, whose report, along with fund financial statements, is included in a fund's most recent annual report to shareholders. You may obtain a free copy of a fund's latest annual or semiannual report, which is available upon request.

Yields and total returns presented for the Portfolio are net of the Portfolio's operating expenses, but they do not take into account charges and expenses attributable to the annuity or life insurance program through which you invest. The expenses of the annuity or life insurance program reduce the returns and yields you ultimately receive, so you should bear those expenses in mind when evaluating the performance of the Portfolio and when comparing the yields and returns of the Portfolio with those of other mutual funds.



## Global Bond Index Portfolio

	Year Ended December 31,				
For a Share Outstanding Throughout Each Period	2023	2022	2021	2020	2019
<b>Net Asset Value, Beginning of Period</b>	<b>\$17.83</b>	<b>\$21.30</b>	<b>\$22.40</b>	<b>\$21.41</b>	<b>\$20.07</b>
<b>Investment Operations</b>					
Net Investment Income <sup>1</sup>	.546	.352	.498	.437	.571
Capital Gain Distributions Received <sup>1</sup>	—	.098	.165	.011	—
Net Realized and Unrealized Gain (Loss) on Investments	.602	(3.193)	(1.083)	.962	1.100
Total from Investment Operations	1.148	(2.743)	(.420)	1.410	1.671
<b>Distributions</b>					
Dividends from Net Investment Income	(.348)	(.531)	(.390)	(.338)	(.306)
Distributions from Realized Capital Gains	(.030)	(.196)	(.290)	(.082)	(.025)
Total Distributions	(.378)	(.727)	(.680)	(.420)	(.331)
<b>Net Asset Value, End of Period</b>	<b>\$18.60</b>	<b>\$17.83</b>	<b>\$21.30</b>	<b>\$22.40</b>	<b>\$21.41</b>
<b>Total Return</b>	<b>6.52%</b>	<b>-13.13%</b>	<b>-1.84%</b>	<b>6.67%</b>	<b>8.41%</b>
<b>Ratios/Supplemental Data</b>					
Net Assets, End of Period (Millions)	\$441	\$386	\$465	\$438	\$232
Ratio of Total Expenses to Average Net Assets	—	—	—	—	—
Acquired Fund Fees and Expenses	0.13%	0.13%	0.13%	0.13%	0.13%
Ratio of Net Investment Income to Average Net Assets	3.04%	1.87%	2.32%	1.98%	2.73%
Portfolio Turnover Rate	8%	11%	7%	16%	12%

1 Calculated based on average shares outstanding.

## General Information

This Portfolio of Vanguard Variable Insurance Funds offers its shares to insurance companies to fund both annuity and life insurance contracts. Because of differences in tax treatment or other considerations, the best interests of various contract owners participating in the Portfolio might at some time be in conflict. The Board will monitor for any material conflicts and determine what action, if any, should be taken.

If the Board determines that continued offering of shares would be detrimental to the best interests of the Portfolio's shareholders, the Portfolio may suspend the offering of shares for a period of time. If the Board determines that a specific purchase acceptance would be detrimental to the best interests of the Portfolio's shareholders (for example, because of the size of the purchase request or a history of frequent trading by the investor), the Portfolio may reject such a purchase request.

If you wish to redeem money from the Portfolio, please refer to the instructions provided in the accompanying prospectus for the annuity or life insurance program. Shares of the Portfolio may be redeemed on any business day that the NYSE is open for trading. The redemption price of shares will be at the next-determined NAV per share. Redemption proceeds generally will be wired to the administrator within one business day following receipt of the redemption request, but no later than seven business days. Contract owners will receive their redemption checks from the administrator.

Under normal circumstances, the Portfolio typically expects to meet redemptions with positive cash flows. When this is not an option, the Portfolio seeks to maintain its risk exposure by selling a cross section of the Portfolio's holdings to meet redemptions, while also factoring in transaction costs. Additionally, the Portfolio may work with the insurance companies through which contract owners participate in the Portfolio to implement redemptions in a manner that is least disruptive to the portfolio.

Under certain circumstances, including under stressed market conditions, there are additional tools that the Portfolio may use in order to meet redemptions, including advancing the settlement of market trades with counterparties to match investor redemption payments or delaying settlement of an investor's transaction to match trade settlement within regulatory requirements. The Portfolio may also suspend payment of redemption proceeds for up to seven days. Additionally, under these unusual circumstances, the Portfolio may borrow money (subject to certain regulatory conditions and if available under board-approved procedures) through an interfund lending facility; through a bank line-of-credit, including a joint committed credit facility; or through an uncommitted line-of-credit from Vanguard in order to meet redemption requests.

The Portfolio may suspend the redemption right or postpone payment at times when the NYSE is closed or during any emergency circumstances, as determined by the SEC.

The exchange privilege (your ability to redeem shares from one Portfolio to purchase shares of another Portfolio) may be available to you through your contract. Although we make every effort to maintain the exchange privilege, Vanguard reserves the right to revise or terminate this privilege, limit the amount of an exchange, or reject any exchange, at any time, without notice.

The Portfolio may pay redemption proceeds, in whole or in part, by an in-kind distribution of readily marketable securities if Vanguard determines that it would be detrimental to the best interests of the Portfolio's remaining shareholders to pay redemption proceeds in cash.

For certain categories of investors, the Portfolio has authorized one or more brokers to accept on its behalf purchase and redemption orders. The brokers are authorized to designate other intermediaries to accept purchase and redemption orders on the Portfolio's behalf. The Portfolio will be deemed to have received a purchase or redemption order when an authorized broker, or a broker's authorized designee, accepts the order in accordance with the Portfolio's instructions. In most cases, for these categories of investors, a contract owner's properly transmitted order will be priced at the Portfolio's next-determined NAV after the order is accepted by the authorized broker or the broker's designee. The contract owner should review the authorized broker's policies relating to trading in the Vanguard funds.

Please consult the Portfolio's *Statement of Additional Information* or our website for a description of the policies and procedures that govern disclosure of the Portfolio's portfolio holdings.

The Portfolio's Bylaws require, unless the Trust otherwise consents in writing, that the U.S. Federal District Courts be the sole and exclusive forum for the resolution of complaints under the Securities Act of 1933. This provision may limit a shareholder's ability to bring a claim in a different forum and may result in increased shareholder costs in pursuing such a claim.

### **Shareholder Rights**

The Portfolio's Agreement and Declaration of Trust, as amended, requires a shareholder bringing a derivative action on behalf of Vanguard Variable Insurance Funds (the Trust) that is subject to a pre-suit demand to collectively hold at least 10% of the outstanding shares of the Trust or at least 10% of the

outstanding shares of the series or class to which the demand relates and to undertake to reimburse the Trust for the expense of any counsel or advisors used when considering the merits of the demand in the event that the board of trustees determines not to bring such action. In each case, these requirements do not apply to claims arising under the federal securities laws to the extent that any such federal securities laws, rules, or regulations do not permit such application.

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## Glossary of Investment Terms

**Acquired Fund.** Any mutual fund, business development company, closed-end investment company, or other pooled investment vehicle whose shares are owned by a portfolio.

**Average Maturity.** The average length of time until bonds held by a portfolio reach maturity and are repaid. In general, the longer the average maturity, the more a portfolio's share price fluctuates in response to changes in market interest rates. In calculating average maturity, a portfolio uses a bond's maturity or, if applicable, an earlier date on which the advisor believes it is likely that a maturity-shortening device (such as a call, put, refunding, prepayment, or redemption provision or an adjustable coupon rate) will cause the bond to be repaid.

**Bloomberg Global Aggregate Float Adjusted Index.** A custom, market-weighted, USD-hedged index designed to track the global investment-grade bond market, composed of the Bloomberg U.S. Aggregate Float Adjusted Index and the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index.

**Bond.** A debt security issued by a corporation, a government, or a government agency in exchange for the money the bondholder lends it. In most instances, the issuer agrees to pay back the loan by a specific date and generally to make regular interest payments until that date.

**Capital Gains Distributions.** Payments to portfolio shareholders of gains realized on securities that a portfolio has sold at a profit, minus any realized losses.

**Common Stock.** A security representing ownership rights in a corporation.

**Corporate Bond.** An IOU issued by a business that wants to borrow money. As with other types of bonds, the issuer promises to repay the borrowed money by a specific date and generally to make interest payments in the meantime.

**Coupon Rate.** The interest rate paid by the issuer of a debt security until its maturity. It is expressed as an annual percentage of the face value of the security.

**Distributions.** Payments to portfolio shareholders of dividend income, capital gains, and return of capital generated by the portfolio's investment activities and distribution policies, after expenses.

**Dividend Distributions.** Payments to portfolio shareholders of income from interest or dividends generated by a portfolio's investments.

**Duration.** A measure of the sensitivity of bond—and bond fund—prices to interest rate movements. For example, if a bond has a duration of two years, its price would fall by approximately 2% when interest rates rise by 1%. On the other hand, the bond's price would rise by approximately 2% when interest rates fall by 1%.

**Expense Ratio.** A portfolio's total annual operating expenses expressed as a percentage of the portfolio's average net assets. The expense ratio includes management and administrative expenses, but it does not include the transaction costs of buying and selling portfolio securities.

**Face Value.** The amount to be paid at a bond's maturity; also known as the par value or principal.

**Fixed Income Security.** An investment, such as a bond, representing a debt that must be repaid by a specified date, and on which the borrower may pay a fixed, variable, or floating rate of interest.

**Float-Adjusted Index.** An index that weights its constituent securities based on the value of the constituent securities that are available for public trading, rather than the value of all constituent securities. Some portion of an issuer's securities may be unavailable for public trading because, for example, those securities are owned by company insiders on a restricted basis or by a government agency. By excluding unavailable securities, float-adjusted indexes can produce a more accurate picture of the returns actually experienced by investors in the measured market.

**Fund of Funds.** A fund that pursues its objective by investing in other funds.

**Inception Date.** The date on which the assets of a portfolio are first invested in accordance with the portfolio's investment objective. For portfolios with a subscription period, the inception date is the day after that period ends. Investment performance is generally measured from the inception date.

**Indexing.** A low-cost investment strategy in which a portfolio attempts to track—rather than outperform—a specified market benchmark, or “index.”

**Investment-Grade Bond.** A debt security whose credit quality is considered by independent bond rating agencies, or through independent analysis conducted by a portfolio's advisor, to be sufficient to ensure timely payment of principal and interest under current economic circumstances. Debt securities rated in one of the four highest rating categories are considered investment-grade. Other debt securities may be considered by an advisor to be investment-grade.

**Joint Committed Credit Facility.** The Portfolio participates, along with other funds managed by Vanguard, in a committed credit facility provided by a syndicate of lenders pursuant to a credit agreement that may be renewed annually; each Vanguard fund is individually liable for its borrowings, if any, under the credit facility. The amount and terms of the committed credit facility are subject to approval by the Portfolio's board of trustees and renegotiation with the lender syndicate on an annual basis.

**Median Market Capitalization.** An indicator of the size of companies in which a portfolio invests; the midpoint of market capitalization (market price x shares outstanding) of a portfolio's stocks, weighted by the proportion of the portfolio's assets invested in each stock. Stocks representing half of the portfolio's assets have market capitalizations above the median, and the rest are below it.

**Mortgage-Backed Security.** A bond or pass-through certificate that represents an interest in an underlying pool of mortgages and is issued by various government agencies or private corporations. Unlike ordinary fixed income securities, mortgage-backed securities include both interest and principal as part of their regular payments.

**Mutual Fund.** An investment company that pools the money of many people and invests it in a variety of securities in an effort to achieve a specific objective over time.

**New York Stock Exchange (NYSE).** A stock exchange based in New York City that is open for regular trading on business days, Monday through Friday, from 9:30 a.m. to 4 p.m., Eastern time.

**Non-Investment-Grade Bond.** A debt security whose credit quality is considered by independent bond rating agencies, or through independent analysis conducted by a portfolio's advisor, to be below investment-grade. These high-risk corporate bonds have a credit quality rating equivalent to or below Moody's Ba or S&P Global Ratings BB and are commonly referred to as "junk bonds."



**Principal.** The face value of a debt instrument or the amount of money put into an investment.

**Return of Capital.** A return of capital occurs when a portfolio's distributions exceed its earnings in a fiscal year. A return of capital is a return of all or part of your original investment or amounts paid in excess of your original investment in a portfolio. In general, a return of capital reduces your cost basis in a portfolio's shares and is not taxable to you until your cost basis has been reduced to zero.

**Securities.** Stocks, bonds, money market instruments, and other investments.

**Total Return.** A percentage change, over a specified time period, in a portfolio's net asset value, assuming the reinvestment of all distributions of dividends and capital gains.

**Volatility.** The fluctuations in value of a mutual fund or other security. The greater a portfolio's volatility, the wider the fluctuations in its returns.

**Yield.** Income (interest or dividends) earned by an investment, expressed as a percentage of the investment's price.

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**For More Information**

If you would like more information about Vanguard Variable Insurance Funds Global Bond Index Portfolio, the following documents are available free upon request:

**Annual/Semiannual Reports to Shareholders**

Additional information about the Portfolio's investments is available in the Portfolio's annual and semiannual reports to shareholders. In the annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the Portfolio's performance during its last fiscal year.

**Statement of Additional Information (SAI)**

The SAI provides more detailed information about the Portfolio and is incorporated by reference into (and thus legally a part of) this prospectus.

To receive a free copy of the latest annual or semiannual reports or the SAI, or to request additional information about the Portfolio or other Vanguard funds, please visit [vanguard.com](https://vanguard.com) or contact us as follows:

Telephone: 800-522-5555; Text telephone for people with hearing impairment: 800-749-7273

**Information Provided by the SEC**

Reports and other information about the Portfolio are available in the EDGAR database on the SEC's website at [sec.gov](https://sec.gov), or you can receive copies of this information, for a fee, by electronic request at the following email address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov).

Portfolio's Investment Company Act file number: 811-05962