

# Vanguard VIF Diversified Value Portfolio

## Investment Strategy from investment's prospectus

The investment seeks to provide long-term capital appreciation and income. The Portfolio invests mainly in large- and mid-capitalization companies whose stocks are considered by the advisor to be undervalued. Undervalued stocks are generally those that are out of favor with investors and that the advisor believes are trading at prices that are below average in relation to measures such as earnings and book value. These stocks often have above-average dividend yields.

### Category Description: Large Value

Large-value funds invest primarily in big U.S. companies that are less expensive or growing more slowly than other large-cap stocks. These funds often feature investments in energy, financial or manufacturing sectors.

### Operations

Fund Inception Date	02-08-99
Initial Share Class Inception Date	02-08-99
Advisor	Lazard Asset Management LLC
Subadvisor	—

### Fees and Expenses as of 04-28-23

Gross Prospectus Expense Ratio	0.29%
Net Prospectus Expense Ratio	0.29%

Waiver Data	Type	Exp.Date	%
—	—	—	—

### Portfolio Manager(s)

Scott McBride, CFA. Since 2019.  
 Henry R. Seiden. B.B.A., University of Michigan (Ross). Since 2022.

## Portfolio Analysis as of 03-31-23

### Composition as of 03-31-23

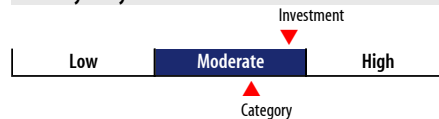


	% Assets
U.S. Stocks	89.78
Non-U.S. Stocks	3.89
Bonds	0.00
Cash	6.40
Other	0.00

### Top 20 Holdings as of 03-31-23

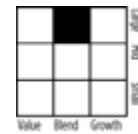
	% Assets
Microsoft Corp	5.95
Alphabet Inc Class A	4.44
Amazon.com Inc	2.57
Johnson & Johnson	2.32
Wells Fargo & Co	2.21
Visa Inc Class A	1.89
Intercontinental Exchange Inc	1.70
Bank of America Corp	1.68
American Express Co	1.67
Honeywell International Inc	1.60
Thermo Fisher Scientific Inc	1.41
McDonald's Corp	1.40
Prologis Inc	1.38
Citigroup Inc	1.36
American International Group Inc	1.29
Procter & Gamble Co	1.28
Coca-Cola Co	1.24
Analog Devices Inc	1.23
Salesforce Inc	1.18
Danaher Corp	1.18
Total Number of Stock Holdings	113
Total Number of Bond Holdings	—
Annual Turnover Ratio %	25.00
Total Fund Assets (\$mil)	1,044.21

### Volatility Analysis



In the past, this investment has shown a relatively moderate range of price fluctuations relative to other investments. This investment may experience larger or smaller price declines or price increases depending on market conditions. Some of this risk may be offset by owning other investments with different portfolio makeups or investment strategies.

### Morningstar Style Box™ as of 03-31-23



	% Mkt Cap
Giant	38.12
Large	41.00
Medium	20.10
Small	0.78
Micro	0.00

### Statistics as of 03-31-23

	Stk Port Avg	S&P 500	Category
P/E Ratio	14.87	19.92	14.53
P/B Ratio	2.31	3.71	2.28
P/C Ratio	8.40	12.78	8.70
GeoAvgCap (\$mil)	120,776.48	223,204.32	119,721.77

### Risk Measures as of 06-30-23

	Port Avg	S&P 500	Category
3 Yr Std Dev	18.70	18.19	17.75
3 Yr Sharpe Ratio	0.85	0.76	0.76
3 Yr Alpha	2.56	—	1.80
3 Yr Beta	0.98	—	0.86
3 Yr R-squared	89.94	—	77.77

### Morningstar Sectors as of 03-31-23

	%Fund	S&P 500 %
Cyclical	31.59	27.56
Basic Materials	0.53	2.28
Consumer Cyclical	9.79	10.82
Financial Services	19.80	11.97
Real Estate	1.47	2.49
Sensitive	45.27	49.76
Communication Services	9.15	8.39
Energy	7.51	4.11
Industrials	9.34	8.35
Technology	19.27	28.91
Defensive	23.14	22.68
Consumer Defensive	6.48	6.62
Healthcare	15.82	13.48
Utilities	0.84	2.58

### Notes

This material is authorized for client use only when preceded or accompanied by a Disclosure Statement, a product prospectus, a fund prospectus and/or informational brochure containing more complete information. These can be obtained from your investment professional and should be read carefully before investing or sending money.

NOT A DEPOSIT — NOT FDIC INSURED — NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY — NOT GUARANTEED BY THE INSTITUTION — MAY GO DOWN IN VALUE