

INVESTMENT OVERVIEW

The Series seeks attractive long-term returns by providing U.S. real estate securities exposure, emphasizing companies with revenues driven by recurring rental income. The highly experienced portfolio team applies a disciplined, bottom-up investment process, utilizing both qualitative and quantitative factors, focusing on high-quality commercial real estate owner/operators.

KEY FEATURES

Attractive Income and Growth Potential — Pursues the stable cash flows offered by contractual rental revenues, emphasizing REITs with strong management teams focused on long-term value creation

Broadens Portfolio Diversification — Provides exposure to the lower correlations the U.S. real estate market has historically exhibited to traditional stocks and bonds

Lower Volatility Approach — High-conviction, lower-turnover portfolio of 25-45 securities, strives to benefit from valuations inefficiencies and the historically higher long-term risk-adjusted returns of rental property companies over non-rental companies

AVERAGE ANNUAL TOTAL RETURNS (%) as of 12/31/2023

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Class I	15.13	11.31	11.31	6.60	8.84	8.22	6.58
Class A	15.02	11.03	11.03	6.31	8.55	7.95	10.55
Index	16.22	13.73	13.73	7.21	7.39	7.65	5.96

ANNUAL PERFORMANCE (%)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Class I	11.31	-25.90	46.87	-1.33	27.78	-6.36	6.25	7.10	2.62	31.98
Index	13.73	-24.37	43.24	-8.00	26.00	-4.62	5.23	8.52	3.20	30.14

Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit virtus.com for performance data current to the most recent month end.

Class I Shares: The fund class gross expense ratio is 0.93%. The net expense ratio is 0.85%, which reflects a contractual expense reimbursement in effect through 4/30/2024.

Class A Shares: The fund class gross expense ratio is 1.18%. The net expense ratio is 1.10%, which reflects a contractual expense reimbursement in effect through 4/30/2024.

Average annual total return is the annual compound return for the indicated period and reflects the change in share price and the reinvestment of all dividends and capital gains. Returns for periods of one year or less are cumulative returns.

Index: The FTSE Nareit Equity REITs Index is a free-float market capitalization-weighted index measuring equity tax-qualified real estate investment trusts, which meet minimum size and liquidity criteria, that are listed on the New York Stock Exchange, the American Stock Exchange and the NASDAQ National Market System. The index is calculated on a total return basis with dividends reinvested. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

Since inception performance for the index reflects a start date of 4/30/2013, the same date as the inception of the Series' Class I Shares. Class A inception date: 5/1/1995.

SHARE CLASSES

CUSIP

I Shares	92829L844
A Shares	92829L703

SERIES INFORMATION

Inception Date (Class I)	04/30/13
AUM (\$ millions)	93.5
Number of Holdings	30
Dividends	Semi-Annually
Morningstar Category	Real Estate
Index	FTSE Nareit Equity REITs Index

The Index shown represents the Series' performance index, which may differ from the Series' regulatory index included in its Prospectus.

MORNINGSTAR RATINGS (CLASS I)

Time Period	# of Stars	# of Funds
Overall	★★★★	235
3 Year	★★★★	235
5 Year	★★★★	215
10 Year	★★★★	156

Morningstar ratings are based on risk-adjusted returns. Strong ratings are not indicative of positive fund performance.

INVESTMENT ADVISER

Virtus Investment Advisers, Inc.

INVESTMENT SUBADVISER



Duff & Phelps Investment Management pursues specialized investment strategies with exceptional depth of resources and expertise. Since its earliest beginnings, providing research and analysis of income producing securities to Depression-era investors, the firm's attention has been set on identifying attractive opportunities through active management and fundamental research, while managing the associated risks. Today, building on a distinguished legacy, Duff & Phelps has earned a reputation as a leader in investing in Global Listed Infrastructure, Global Listed Real Estate, Clean Energy, and Diversified Real Assets.

Quality. Reliability. Specialization. Since 1932.

PORTFOLIO MANAGERS

Geoffrey P. Dybas, CFA

Industry start date: 1989

Start date as Series Portfolio Manager: 1998

Frank J. Haggerty, Jr., CFA

Industry start date: 1996

Start date as Series Portfolio Manager: 2007

CHARACTERISTICS	Series	Index
Average Weighted Market Cap (bn)	41.85	36.93
Median Market Cap (bn)	16.16	2.83
Trailing P/E Ex-Negative Earnings	32.41	34.77
Price-to-Cash Flow	17.44	16.47
Price-to-Book Value	2.05	1.98
3-Year Earnings Growth Rate	6.01	-2.35
5-Year Earnings Growth Rate	10.19	8.32
Active Share	35.75	n/a
Dividend Coverage	1.60	1.50
Earnings Growth Rate est. 2024	5.40	4.80
FFO Multiple (P/E Ratio) est. 2024	18.00	17.20
30-day SEC Yield	2.93	
30-day SEC Yield (unsubsidized)	2.84	

30-day SEC Yield is a standardized yield calculated according to a formula set by the SEC, and is subject to change.

30-day SEC Yield (unsubsidized) is the 30 day SEC yield without the effect of applicable expense waivers.

INCOME DISTRIBUTIONS

Month	NAV at Month-End	
June 2023	\$0.109888	18.83
December 2023	\$0.356739	19.39

RISK STATISTICS (3 YEAR)	Series	Index
Alpha	-0.53	n/a
Beta	0.99	1.00
R ²	0.99	1.00
Sharpe Ratio	0.21	0.24
Standard Deviation	20.88	20.95

IMPORTANT RISK CONSIDERATIONS

Equity Securities: The market price of equity securities may be adversely affected by financial market, industry, or issuer-specific events. Focus on a particular style or on small, medium, or large-sized companies may enhance that risk. **Real Estate:** The portfolio may be negatively affected by factors specific to the real estate market, including interest rates, leverage, property, and management. **Industry/Sector Concentration:** A portfolio that focuses its investments in a particular industry or sector will be more sensitive to conditions that affect that industry or sector than a non-concentrated portfolio. **Market Volatility:** The value of the securities in the portfolio may go up or down in response to the prospects of individual companies and/or general economic conditions. Local, regional, or global events such as war or military conflict, terrorism, pandemic, or recession could impact the portfolio, including hampering the ability of the portfolio's manager(s) to invest its assets as intended. **Prospectus:** For additional information on risks, please see the fund's prospectus.

GLOSSARY

Avg. Weighted Market Cap (bn): The sum of each security's weight within the fund (or index) multiplied by the security's market capitalization. **Trailing P/E Ex-Negative Earnings:** Per share stock price divided by the latest 12-months earnings per share. **Price-to-Cash Flow:** Per-share stock price divided by the per-share operating cash flow. **Price-to-Book Value:** A ratio used to compare a stock's market value to its book value. **3-Year Earnings Growth Rate:** Average of earnings per share growth for latest 3-year period. **5-Year Earnings Growth Rate:** Average of earnings per share growth for latest 5-year period. **Active Share:** A measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. **Dividend Coverage:** Calculated by dividing the company's earnings income by the dividend pay-out rate for each stock held by the portfolio. **Earnings Growth Rate est. 2024:** The company's estimated future earnings for each stock held by the portfolio. **FFO Multiple (P/E Ratio) est. 2024:** Calculated by dividing the current market price by the estimated earnings (Funds From Operations) per share for each stock held by the portfolio. **Alpha:** A risk-adjusted measure of an investment's excess return relative to a benchmark. **Beta:** A quantitative measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. **R²:** A measure that

The investments for the Series are managed by the same portfolio manager(s) who manage one or more other funds that have similar names, investment objectives and investment styles as the Series. You should be aware that the Series is likely to differ from the other mutual funds in size, cash flow pattern and tax matters. Accordingly, the holdings and performance of the Series can be expected to vary from those of the other mutual funds.

Shares of the Funds are sold only through the currently effective prospectuses and are not available to the general public. Shares of the Funds may be purchased only by life insurance companies to be used with their separate accounts which fund variable annuity and variable life insurance policies or qualified retirement plans and are also available as an underlying investment fund for certain qualified retirement plans. The performance information for the Funds does not reflect fees and expenses of the insurance companies. If such fees and expenses were deducted, performance would be lower.

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Mutual funds distributed by **VP Distributors, LLC**, member FINRA and subsidiary of Virtus Investment Partners, Inc.

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TOP TEN HOLDINGS	% Series
Prologis Inc	11.62
Equinix Inc	7.00
Digital Realty Trust Inc	5.28
Public Storage	4.93
Realty Income Corp	4.79
Ventas Inc	4.69
Sun Communities Inc	4.31
Welltower Inc	4.30
VICI Properties Inc	4.29
Simon Property Group Inc	4.04

Holdings and sector weightings are subject to change.

SECTOR ALLOCATIONS	% Series	% Index
Industrial	16.61	16.47
Data Centers	12.26	10.75
Health Care	11.65	10.31
Residential: Apartments	9.62	10.92
Self Storage	8.30	8.81
Retail: Shopping Centers	6.13	6.10
Residential: Single Family Homes	5.93	3.04
Retail: Free Standing	4.79	6.60
Residential: Manufactured Homes	4.31	2.77
Gaming REITs	4.29	4.23
Non-NAREIT Equity Index Positions	4.28	0.00
Retail: Regional Malls	4.03	4.66
Office	3.38	5.96
Lodging/Resorts	2.29	3.49
Cash & Equivalents	2.15	0.00
Diversified	0.00	2.43
Specialty	0.00	3.46

represents the percentage of a fund or security's movements that can be explained by movements in a benchmark index. **Sharpe Ratio:** A risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. **Standard Deviation:** Measures variability of returns around the average return for an investment portfolio. Higher standard deviation suggests greater risk.

MORNINGSTAR

Morningstar Rating™ for funds, or 'star rating,' is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take into account the effect of sales charges and loads.

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