



OppenheimerFunds®

The Right Way
to Invest

December 31, 2017

Oppenheimer
International Growth Fund/VA

A Series of Oppenheimer Variable Account Funds

Annual Report

ANNUAL REPORT

Listing of Top Holdings

Fund Performance Discussion

Financial Statements

PORTFOLIO MANAGERS: George R. Evans, CFA, and Robert B. Dunphy, CFA

AVERAGE ANNUAL TOTAL RETURNS FOR THE PERIODS ENDED 12/31/17

	Inception Date	1-Year	5-Year	10-Year
Non-Service Shares	5/13/92	26.29%	8.35%	4.50%
Service Shares	3/19/01	26.44	8.16	4.21
MSCI AC World ex-U.S. Index		27.19	6.80	1.84

Performance data quoted represents past performance, which does not guarantee future results. *The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. For performance data current to the most recent month end, call us at 1.800.988.8287. The Fund's total returns should not be expected to be the same as the returns of other funds, whether or not both funds have the same portfolio managers and/or similar names. The Fund's total returns include changes in share price and reinvested distributions but do not include the charges associated with the separate account products that offer this Fund. Such performance would have been lower if such charges were taken into account.*

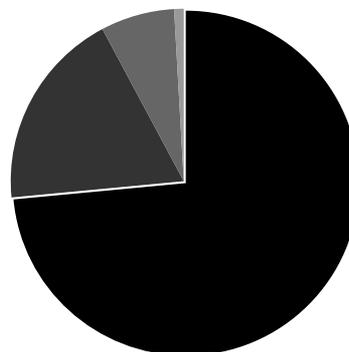
TOP HOLDINGS AND ALLOCATIONS

TOP TEN COMMON STOCK HOLDINGS

Infineon Technologies AG	2.6%
SAP SE	2.0
Temenos Group AG	2.0
Valeo SA	1.8
Keyence Corp.	1.8
Nippon Telegraph & Telephone Corp.	1.8
Continental AG	1.8
Reckitt Benckiser Group plc	1.7
Nidec Corp.	1.7
Hero MotoCorp Ltd.	1.6

Portfolio holdings and allocations are subject to change. Percentages are as of December 31, 2017, and are based on net assets. For more current Fund holdings, please visit oppenheimerfunds.com.

REGIONAL ALLOCATION



- Europe—73.5%
- Asia—18.7%
- U.S./Canada—6.9%
- Middle East/Africa—0.9%

Portfolio holdings and allocations are subject to change. Percentages are as of December 31, 2017, and are based on the total market value of investments.

Fund Performance Discussion

It has been a very good year for the Fund in absolute terms: the Fund's Non-Service shares rose 26.29% over the one-year reporting period ended December 31, 2017. In relative terms, the Fund slipped from out to underperformance in the final few days of the year when markets surged sharply. For the one-year ended December 31, 2017, the MSCI AC World ex-U.S. Index (the "Index") rose 27.19%.

This was obviously disappointing to us, if not surprising, given the stability of our low beta portfolio. However we have always focused on long-term value creation for the portfolio, rather than market timing, and have performed well relative to the Index over the medium and long term.

We seek to hold stocks over the long term and allow the wealth they can create for us to compound over time. The entry price we pay is the key component to the magnitude of returns. Therefore, we focus rigorously on valuation, ignore market timing, and eschew tactical trading.

With our long-term approach, we will not always outperform. This year, for instance, we lagged the Index due partly to our relatively low direct investment exposure to emerging market companies, particularly those in China. However, our portfolio earns roughly a quarter of its revenues in emerging markets through the global companies we own that do business there. While we do not benefit from the cyclical fund flows into emerging markets that we see every five to seven years – and that we saw this year – we do benefit from the growth of those economies.

During the one-year period, on a sector basis, the Fund outperformed the Index within the Health Care, Industrials and Financials sectors, due mainly to stock selection. The Fund's underperformance stemmed from weaker relative stock selection in the Consumer Discretionary, Telecommunication Services, and Consumer Staples sectors.

With regard to countries, we remind investors that we are fundamental, bottom-up investors who view the world as one marketplace. Our geographic exposure is purely the result of our stock selection and does not reflect any views regarding the general economy of any country. During this reporting period, we outperformed the Index mainly in Switzerland on the strength of our stocks' performance. An underweight position and stock selection in Japan along with an overweight position and stock selection in France also contributed positively to relative performance. Our portfolio underperformed the Index the most in China due mainly to our underweight position in that market. The Fund also underperformed in the UK due to an overweight position and stock selection, and in South Korea due to our lack of exposure there.

MARKET OVERVIEW

During the reporting period, world equity markets rose strongly. Europe began outperforming in early 2017 and continued to do so as growth expectations improved. Electoral surprises also continued over the course of the year. The French handed a presidential victory to Emmanuel Macron, a pro-Europe centrist, along with a landslide vote for his new political party in the national legislative elections. In the UK, Prime Minister Theresa May narrowly emerged victorious, albeit under a coalition government, and the Conservative Party failed to enlarge its majority. Taken together, these events improved the outlook for European cooperation and a softer "Brexit."

TOP INDIVIDUAL CONTRIBUTORS

Top contributors to performance this period included Infineon Technologies AG, Temenos Group AG and Dollarama Inc.

Infineon Technologies AG, a German semiconductor company, supplies the automotive industry. We added it to the portfolio in late 2014 as part of our investment theme focused on the evolution of the car. The accelerating pace of that evolution is increasing demand for Infineon's chips. The company is performing well and the share price appreciated in response.

Temenos Group AG is an enterprise software company focused on the banking industry. Modern regulatory requirements and the replacement of legacy IT systems are providing a tailwind for the company. In 2017, the company struck several groundbreaking deals with large banks. Results have exceeded consensus and its shares rose strongly over the course of the year.

Dollarama is a discount retailer based in Canada. In our opinion, it has headroom for substantial growth over the coming five years. During the year, Dollarama reported strong sales results and continued to execute well against its expansion plan. The stock price reacted favorably.

TOP INDIVIDUAL DETRACTORS

Top detractors from performance included Aryzta AG, Technicolor SA and SES SA.

Aryzta AG is a Swiss-based provider of par-baked goods to casual and fast food restaurants. During 2015, Aryzta acquired Picard, a French frozen food retailer, which deviated from its core business. In our opinion, Aryzta's management has demonstrated that they do not have the retail channel experience necessary to produce the returns that we require from their acquisition. We exited our position during the reporting period.

Technicolor SA is a French company that has long been a leader in imaging technology. We view the company as a play on the trend toward ever more and more immersive video. The stock price fell after the company revised its FY 2016 Earnings Before Interest, Tax, Depreciation and Amortization ("EBITDA") guidance downward primarily due to weaker shipments in the Connected Home segment. We remain positive on the long term outlook of the company.

SES is one of the three leaders in the world's oligopolistic satellite operator market. Roughly two thirds of SES' revenue comes from video transmission. Fears over the potential deterioration of the television broadcast market in Europe, which are overdone in our opinion, have weighed upon the stock.

STRATEGY & OUTLOOK

We have seen a reversal of the leadership of the S&P 500 Index to the European markets after years of waiting - in fact, after the longest U.S. market leadership period in the last 50 years. History suggests that after such a reversal, new market leadership persists for an average of four years.

Outside of Europe, we are encouraged by the sea change in behavior of Japanese corporates. We are finding an increasing number of Japanese companies who are paying more than lip service to the rational allocation of capital and good treatment of shareholders. Rather than inserting a token page in a presentation book, they are implementing key performance measures and employee incentives to improve capital returns. For the first time since we have been managing this portfolio, we see a growing opportunity set of companies in Japan in which to invest.

As mentioned earlier, we derive roughly a quarter of the portfolio's earnings from emerging markets and we benefit from the growth of those economies. In our opinion, the outlook for that growth over the coming year is good.

During 2017, the ability of most active managers to beat the performance of market indices was again demonstrated. We remain firm believers in active portfolio management and will continue to practice the same long-term investment discipline that we have since the inception of this portfolio.

Investors should consider the Fund's investment objective, risks, charges and expenses carefully before investing. The Fund's prospectus and summary prospectus contain this and other information about the Fund, and may be obtained by asking your financial advisor or calling us at 1.800.988.8287. Read prospectuses and summary prospectuses carefully before investing.

Total returns include changes in share price and reinvestment of dividends and capital gains distributions in a hypothetical investment for the periods shown, but do not include the charges associated with the separate account products that offer this Fund.

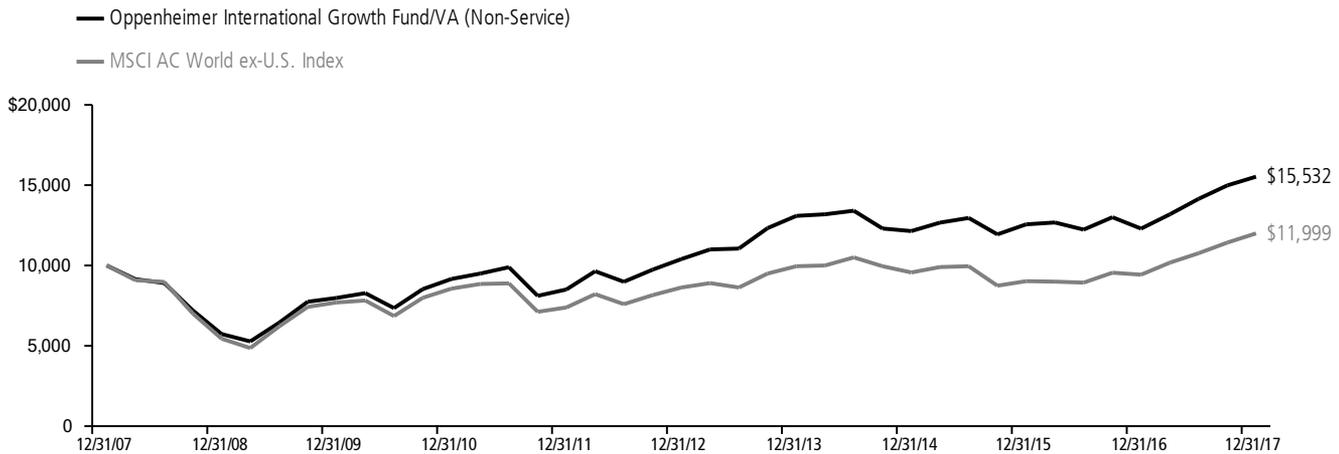
The Fund's investment strategy and focus can change over time. The mention of specific fund holdings does not constitute a recommendation by OppenheimerFunds, Inc. or its affiliates.

Shares of Oppenheimer funds are not deposits or obligations of any bank, are not guaranteed by any bank, are not insured by the FDIC or any other agency, and involve investment risks, including the possible loss of the principal amount invested.

Comparing the Fund's Performance to the Market. The graphs that follow show the performance of a hypothetical \$10,000 investment in each share class of the Fund held until December 31, 2017. Performance is measured over a ten-fiscal-year period for both Classes. Performance information does not reflect charges that apply to separate accounts investing in the Fund. If these charges were taken into account, performance would be lower. The graphs assume that all dividends and capital gains distributions were reinvested in additional shares.

The Fund's performance is compared to the performance of the MSCI AC World ex-U.S. Index. The MSCI AC World ex-U.S. Index is designed to measure the equity market performance of developed and emerging markets and excludes the U.S. The Index is unmanaged and cannot be purchased directly by investors. The Index is unmanaged and cannot be purchased directly by investors. While index comparisons may be useful to provide a benchmark for the Fund's performance, it must be noted that the Fund's investments are not limited to the investments comprising the Index. Index performance includes reinvestment of income, but does not reflect transaction costs, fees, expenses or taxes. Index performance is shown for illustrative purposes only as a benchmark for the Fund's performance, and does not predict or depict performance of the Fund. The Fund's performance reflects the effects of the Fund's business and operating expenses.

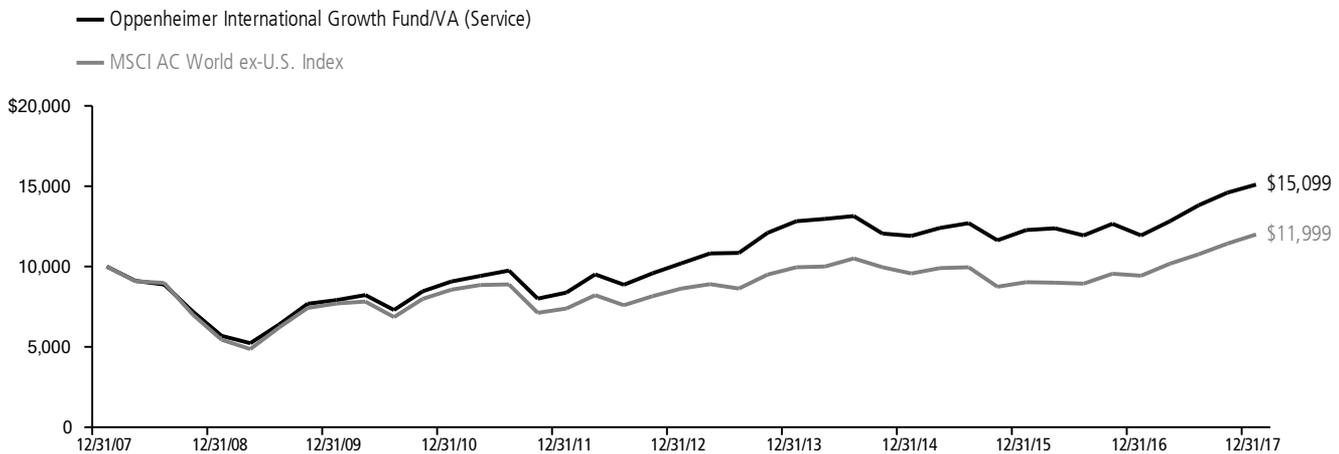
COMPARISON OF CHANGE IN VALUE OF \$10,000 HYPOTHETICAL INVESTMENTS IN:



Average Annual Total Returns of Non-Service Shares of the Fund at 12/31/17

1-Year **26.29%** 5-Year **8.35%** 10-Year **4.50%**

COMPARISON OF CHANGE IN VALUE OF \$10,000 HYPOTHETICAL INVESTMENTS IN:



Average Annual Total Returns of Service Shares of the Fund at 12/31/17

1-Year **26.44%** 5-Year **8.16%** 10-Year **4.21%**

Performance data quoted represents past performance, which does not guarantee future results. *The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. For performance data current to the most recent month end, call us at 1.800.988.8287. The Fund's total returns should not be expected to be the same as the returns of other funds, whether or not both funds have the same portfolio managers and/or similar names. The Fund's total returns include changes in share price and reinvested distributions but do not include the charges associated with the separate account products that offer this Fund. Such performance would have been lower if such charges were taken into account.*

Fund Expenses

Fund Expenses. As a shareholder of the Fund, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees; distribution and service fees; and other Fund expenses. These examples are intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The examples are based on an investment of \$1,000.00 invested at the beginning of the period and held for the entire 6-month period ended December 31, 2017.

Actual Expenses. The first section of the table provides information about actual account values and actual expenses. You may use the information in this section for the class of shares you hold, together with the amount you invested, to estimate the expense that you paid over the period. Simply divide your account value by \$1,000.00 (for example, an \$8,600.00 account value divided by \$1,000.00 = 8.60), then multiply the result by the number in the first section under the heading entitled "Expenses Paid During 6 Months Ended December 31, 2017" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes.

The second section of the table provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio for each class of shares, and an assumed rate of return of 5% per year for each class before expenses, which is not the actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example for the class of shares you hold with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any charges associated with the separate accounts that offer this Fund. Therefore, the "hypothetical" lines of the table are useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these separate account charges were included your costs would have been higher.

Actual	Beginning Account Value July 1, 2017	Ending Account Value December 31, 2017	Expenses Paid During 6 Months Ended December 31, 2017
Non-Service shares	\$ 1,000.00	\$ 1,097.50	\$ 5.30
Service shares	1,000.00	1,093.10	6.61
Hypothetical			
(5% return before expenses)			
Non-Service shares	1,000.00	1,020.16	5.10
Service shares	1,000.00	1,018.90	6.38

Expenses are equal to the Fund's annualized expense ratio for that class, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period). Those annualized expense ratios, excluding indirect expenses from affiliated funds, based on the 6-month period ended December 31, 2017 are as follows:

Class	Expense Ratios
Non-Service shares	1.00%
Service shares	1.25

The expense ratios reflect voluntary and/or contractual waivers and/or reimbursements of expenses by the Fund's Manager. Some of these undertakings may be modified or terminated at any time, as indicated in the Fund's prospectus. The "Financial Highlights" tables in the Fund's financial statements, included in this report, also show the gross expense ratios, without such waivers or reimbursements and reduction to custodian expenses, if applicable.

STATEMENT OF INVESTMENTS December 31, 2017

	Shares	Value
Common Stocks—98.2%		
Consumer Discretionary—23.8%		
Auto Components—5.0%		
Continental AG	39,631	\$ 10,699,387
Koito Manufacturing Co. Ltd.	122,900	8,641,953
Valeo SA	145,793	10,864,782
		30,206,122
Automobiles—3.7%		
Bayerische Motoren Werke AG	57,538	5,976,622
Hero MotoCorp Ltd.	161,201	9,555,906
Subaru Corp.	204,200	6,465,144
		21,997,672
Diversified Consumer Services—0.4%		
Dignity plc	103,507	2,538,291
Hotels, Restaurants & Leisure—3.1%		
Carnival Corp.	138,680	9,204,192
Domino's Pizza Group plc	1,072,904	5,004,816
Whitbread plc	78,046	4,214,935
		18,423,943
Household Durables—1.2%		
SEB SA	39,200	7,262,938
Media—2.5%		
ProSiebenSat.1 Media SE	193,633	6,666,901
SES SA, Cl. A, FDR	384,570	5,992,711
Technicolor SA	728,530	2,498,799
		15,158,411
Multiline Retail—1.5%		
Dollarama, Inc.	70,332	8,787,303
Specialty Retail—1.7%		
Industria de Diseno Textil SA	145,158	5,048,825
Nitori Holdings Co. Ltd.	36,800	5,247,172
		10,295,997
Textiles, Apparel & Luxury Goods—4.7%		
Cie Financiere Richemont SA	71,311	6,456,705
Hermes International	12,806	6,854,966
LVMH Moet Hennessy Louis Vuitton SE	27,690	8,133,939
Pandora AS	60,393	6,572,544
		28,018,154
Consumer Staples—11.5%		
Beverages—2.4%		
Heineken NV	75,358	7,854,898
Pernod Ricard SA	41,760	6,610,222
		14,465,120
Food & Staples Retailing—3.0%		
Alimentation Couche-Tard, Inc., Cl. B	118,884	6,203,343
CP ALL PCL	2,777,100	6,556,231
SPAR Group Ltd. (The)	317,064	5,208,757
		17,968,331
Food Products—3.4%		
Barry Callebaut AG ¹	3,909	8,143,827
Saputo, Inc.	212,966	7,654,577
Unilever plc	85,402	4,731,232
		20,529,636
Household Products—1.7%		
Reckitt Benckiser Group plc	111,074	10,375,314
Tobacco—1.0%		
Swedish Match AB	142,314	5,601,595
Energy—1.2%		
Energy Equipment & Services—0.6%		
TechnipFMC plc	108,702	3,357,637
Oil, Gas & Consumable Fuels—0.6%		
Koninklijke Vopak NV	83,184	3,648,815

	Shares	Value
Financials—6.2%		
Capital Markets—2.1%		
NEX Group plc	500,356	\$ 4,096,315
TP ICAP plc	665,291	4,765,031
UBS Group AG ¹	205,468	3,775,312
		12,636,658
Commercial Banks—1.3%		
ICICI Bank Ltd., Sponsored ADR	803,443	7,817,500
Consumer Finance—0.7%		
Prosegur Cash SA ²	1,305,641	4,188,759
Insurance—1.1%		
Prudential plc	250,724	6,446,153
Real Estate Management & Development—1.0%		
Scout24 AG ²	144,572	5,904,672
Health Care—10.5%		
Biotechnology—2.6%		
CSL Ltd.	65,300	7,187,013
Grifols SA	286,116	8,366,280
		15,553,293
Health Care Equipment & Supplies—2.8%		
Essilor International Cie Generale		
d'Optique SA	46,733	6,444,261
Sonova Holding AG	32,317	5,045,691
William Demant Holding AS ¹	191,486	5,330,537
		16,820,489
Life Sciences Tools & Services—1.4%		
Lonza Group AG ¹	32,130	8,679,414
Pharmaceuticals—3.7%		
Bayer AG	59,722	7,427,930
Novo Nordisk AS, Cl. B	168,105	9,034,834
Roche Holding AG	22,510	5,693,752
		22,156,516
Industrials—16.1%		
Aerospace & Defense—1.0%		
Airbus SE	62,110	6,167,878
Commercial Services & Supplies—2.2%		
Edenred	204,814	5,933,571
Prosegur Cia de Seguridad SA	893,706	7,019,999
		12,953,570
Construction & Engineering—0.7%		
Boskalis Westminster	110,876	4,179,232
Electrical Equipment—2.8%		
Legrand SA	86,540	6,653,373
Nidec Corp.	73,800	10,359,570
		17,012,943
Machinery—4.6%		
Aalberts Industries NV	148,849	7,557,741
Atlas Copco AB, Cl. A	175,234	7,547,281
Kubota Corp.	367,000	7,186,487
VAT Group AG ^{1,2}	16,857	2,493,568
Weir Group plc (The)	88,287	2,521,222
		27,306,299
Professional Services—1.0%		
Intertek Group plc	85,600	5,996,161
Trading Companies & Distributors—3.8%		
Brenntag AG	94,214	5,943,148
Bunzl plc	253,565	7,090,153
Ferguson plc	49,100	3,513,235
Travis Perkins plc	306,132	6,472,864
		23,019,400

STATEMENT OF INVESTMENTS Continued

	Shares	Value
Information Technology—21.6%		
Communications Equipment—1.1%		
Nokia OYJ	1,352,985	\$ 6,319,573
Electronic Equipment, Instruments, & Components—4.7%		
Hitachi Ltd.	945,000	7,351,243
Hoya Corp.	118,193	5,905,856
Keyence Corp.	19,212	10,727,321
Spectris plc	134,195	4,486,168
		28,470,588
Internet Software & Services—2.1%		
Baidu, Inc., Sponsored ADR ¹	29,530	6,916,221
United Internet AG	79,532	5,470,430
		12,386,651
IT Services—2.5%		
Amadeus IT Group SA	85,977	6,188,342
Atos SE	59,240	8,623,027
		14,811,369
Semiconductors & Semiconductor Equipment—6.2%		
ams AG ¹	49,248	4,462,649
ASML Holding NV	47,240	8,195,576
Infineon Technologies AG	559,048	15,268,885
STMicroelectronics NV	426,790	9,268,651
		37,195,761
Software—5.0%		
Dassault Systemes SE	55,547	5,899,451
SAP SE	111,109	12,458,642
Temenos Group AG	93,003	11,901,929
		30,260,022

	Shares	Value
Materials—4.5%		
Chemicals—2.7%		
Essentra plc	477,362	\$ 3,411,010
Novozymes AS, Cl. B	115,420	6,593,746
Sika AG	787	6,238,387
		16,243,143
Construction Materials—0.6%		
James Hardie Industries plc	204,000	3,591,159
Containers & Packaging—1.2%		
CCL Industries, Inc., Cl. B	154,779	7,151,602
Telecommunication Services—2.8%		
Diversified Telecommunication Services—2.8%		
Iliad SA	25,710	6,161,011
Nippon Telegraph & Telephone Corp.	227,900	10,723,963
		16,884,974
Total Common Stocks (Cost \$358,939,205)		588,789,058
Preferred Stock—0.0%		
Zee Entertainment Enterprises Ltd., 6% Cum. Non-Cv. (Cost \$12,272)	599,541	93,931
Investment Company—0.3%		
Oppenheimer Institutional Government Money Market Fund, Cl. E, 1.22% ^{3,4} (Cost \$1,843,768)	1,843,768	1,843,768
Total Investments, at Value (Cost \$360,795,245)	98.5%	590,726,757
Net Other Assets (Liabilities)	1.5	8,732,019
Net Assets	100.0%	\$ 599,458,776

Footnotes to Statement of Investments

1. Non-income producing security.
2. Represents securities sold under Rule 144A, which are exempt from registration under the Securities Act of 1933, as amended. These securities have been determined to be liquid under guidelines established by the Board of Trustees. These securities amount to \$12,586,999 or 2.10% of the Fund's net assets at period end.
3. Rate shown is the 7-day yield at period end.
4. Is or was an affiliate, as defined in the Investment Company Act of 1940, as amended, at or during the reporting period, by virtue of the Fund owning at least 5% of the voting securities of the issuer or as a result of the Fund and the issuer having the same investment adviser. Transactions during the reporting period in which the issuer was an affiliate are as follows:

	Shares December 31, 2016	Gross Additions	Gross Reductions	Shares December 31, 2017
Oppenheimer Institutional Government Money Market Fund, Cl. E	9,483,349	102,687,457	110,327,038	1,843,768
	Value	Income	Realized Gain (Loss)	Change in Unrealized Gain (Loss)
Oppenheimer Institutional Government Money Market Fund, Cl. E	\$ 1,843,768	\$ 116,912	\$ —	\$ —

Distribution of investments representing geographic holdings, as a percentage of total investments at value, is as follows:

Geographic Holdings (Unaudited)	Value	Percent
France	\$ 94,100,929	15.9%
United Kingdom	79,020,537	13.4
Germany	75,816,617	12.8
Japan	72,608,710	12.3
Switzerland	67,697,235	11.5
Netherlands	31,436,263	5.3
Spain	30,812,204	5.2
Canada	29,796,826	5.0
Denmark	27,531,661	4.7
India	17,467,337	3.0
Sweden	13,148,876	2.2
United States	11,047,959	1.9
Australia	7,187,013	1.2
China	6,916,221	1.2
Thailand	6,556,231	1.1
Finland	6,319,573	1.1
South Africa	5,208,757	0.9
Austria	4,462,649	0.7

Geographic Holdings (Unaudited) (Continued)

	Value	Percent
Ireland	\$ 3,591,159	0.6%
Total	\$ 590,726,757	100.0%

See accompanying Notes to Financial Statements.

STATEMENT OF ASSETS AND LIABILITIES December 31, 2017

Assets	
Investments, at value—see accompanying statement of investments:	
Unaffiliated companies (cost \$358,951,477)	\$ 588,882,989
Affiliated companies (cost \$1,843,768)	1,843,768
	<u>590,726,757</u>
Cash	501,653
Cash—foreign currencies (cost \$8)	9
Receivables and other assets:	
Investments sold	8,418,102
Dividends	1,494,353
Shares of beneficial interest sold	374,846
Other	41,126
Total assets	<u>601,556,846</u>
Liabilities	
Payables and other liabilities:	
Shares of beneficial interest redeemed	1,349,126
Foreign capital gains tax	509,870
Investments purchased	78,432
Distribution and service plan fees	50,938
Trustees' compensation	29,943
Shareholder communications	5,818
Other	73,943
Total liabilities	<u>2,098,070</u>
Net Assets	\$ 599,458,776
Composition of Net Assets	
Par value of shares of beneficial interest	\$ 227,710
Additional paid-in capital	361,432,186
Accumulated net investment income	1,831,554
Accumulated net realized gain on investments and foreign currency transactions	6,519,356
Net unrealized appreciation on investments and translation of assets and liabilities denominated in foreign currencies	229,447,970
Net Assets	\$ 599,458,776
Net Asset Value Per Share	
Non-Service Shares:	
Net asset value, redemption price per share and offering price per share (based on net assets of \$360,416,783 and 139,124,477 shares of beneficial interest outstanding)	\$2.59
Service Shares:	
Net asset value, redemption price per share and offering price per share (based on net assets of \$239,041,993 and 88,585,834 shares of beneficial interest outstanding)	\$2.70

See accompanying Notes to Financial Statements.

STATEMENT OF OPERATIONS For the Year Ended December 31, 2017

Investment Income	
Dividends:	
Unaffiliated companies (net of foreign withholding taxes of \$1,187,747)	\$ 10,216,524
Affiliated companies	116,912
Total investment income	10,333,436
Expenses	
Management fees	5,198,559
Distribution and service plan fees — Service shares	532,815
Transfer and shareholder servicing agent fees:	
Non-Service shares	339,637
Service shares	213,216
Shareholder communications:	
Non-Service shares	13,240
Service shares	8,261
Custodian fees and expenses	53,905
Trustees' compensation	22,192
Borrowing fees	14,639
Other	129,655
Total expenses	6,526,119
Less reduction to custodian expenses	(200)
Less waivers and reimbursements of expenses	(448,394)
Net expenses	6,077,525
Net Investment Income	4,255,911
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) on:	
Investment transactions in unaffiliated companies (net of foreign capital gains tax of \$46,251)	14,315,859
Foreign currency transactions	(36,487)
Net realized gain	14,279,372
Net change in unrealized appreciation/depreciation on:	
Investment transactions in unaffiliated companies (net of foreign capital gains tax of \$192,571)	108,170,814
Translation of assets and liabilities denominated in foreign currencies	126,323
Net change in unrealized appreciation/depreciation	108,297,137
Net Increase in Net Assets Resulting from Operations	\$ 126,832,420

See accompanying Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended December 31, 2017	Year Ended December 31, 2016
Operations		
Net investment income	\$ 4,255,911	\$ 5,530,716
Net realized gain (loss)	14,279,372	(21,315)
Net change in unrealized appreciation/depreciation	108,297,137	(15,794,847)
Net increase (decrease) in net assets resulting from operations	126,832,420	(10,285,446)
Dividends and/or Distributions to Shareholders		
Dividends from net investment income:		
Non-Service shares	(4,868,321)	(3,398,644)
Service shares	(2,425,707)	(1,459,515)
	(7,294,028)	(4,858,159)
Distributions from net realized gain:		
Non-Service shares	—	(7,229,895)
Service shares	—	(4,021,530)
	—	(11,251,425)
Beneficial Interest Transactions		
Net increase (decrease) in net assets resulting from beneficial interest transactions:		
Non-Service shares	(14,779,318)	788,912
Service shares	17,507,241	15,959,227
	2,727,923	16,748,139
Net Assets		
Total increase (decrease)	122,266,315	(9,646,891)
Beginning of period	477,192,461	486,839,352
End of period (including accumulated net investment income of \$1,831,554 and \$4,952,410, respectively)	\$ 599,458,776	\$ 477,192,461

See accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014	Year Ended December 31, 2013
Non-Service Shares					
Per Share Operating Data					
Net asset value, beginning of period	\$2.08	\$2.20	\$2.31	\$2.57	\$2.07
Income (loss) from investment operations:					
Net investment income ¹	0.02	0.03	0.03	0.03	0.03
Net realized and unrealized gain (loss)	0.52	(0.08)	0.06	(0.21)	0.50
Total from investment operations	0.54	(0.05)	0.09	(0.18)	0.53
Dividends and/or distributions to shareholders:					
Dividends from net investment income	(0.03)	(0.02)	(0.03)	(0.03)	(0.03)
Distributions from net realized gain	0.00	(0.05)	(0.17)	(0.05)	0.00
Total dividends and/or distributions to shareholders	(0.03)	(0.07)	(0.20)	(0.08)	(0.03)
Net asset value, end of period	\$2.59	\$2.08	\$2.20	\$2.31	\$2.57
Total Return, at Net Asset Value²	26.29%	(2.12)%	3.43%	(7.22)%	25.87%
Ratios/Supplemental Data					
Net assets, end of period (in thousands)	\$360,417	\$301,559	\$317,547	\$358,756	\$458,038
Average net assets (in thousands)	\$339,999	\$305,269	\$343,347	\$400,556	\$404,859
Ratios to average net assets: ³					
Net investment income	0.87%	1.24%	1.08%	1.13%	1.24%
Expenses excluding specific expenses listed below	1.08%	1.09%	1.08%	1.07%	1.09%
Interest and fees from borrowings	0.00% ⁴	0.00% ⁴	0.00% ⁴	0.00%	0.00%
Total expenses ⁵	1.08%	1.09%	1.08%	1.07%	1.09%
Expenses after payments, waivers and/or reimbursements and reduction to custodian expenses	1.00%	1.00%	1.00%	1.00%	1.00%
Portfolio turnover rate	27%	15%	24%	41%	32%

1. Per share amounts calculated based on the average shares outstanding during the period.

2. Assumes an initial investment on the business day before the first day of the fiscal period, with all dividends and distributions reinvested in additional shares on the reinvestment date, and redemption at the net asset value calculated on the last business day of the fiscal period. Total returns are not annualized for periods less than one full year. Total return information does not reflect expenses that apply at the separate account level or to related insurance products. Inclusion of these charges would reduce the total return figures for all periods shown. Returns do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

3. Annualized for periods less than one full year.

4. Less than 0.005%.

5. Total expenses including indirect expenses from affiliated fund fees and expenses were as follows:

Year Ended December 31, 2017	1.08%
Year Ended December 31, 2016	1.09%
Year Ended December 31, 2015	1.08%
Year Ended December 31, 2014	1.07%
Year Ended December 31, 2013	1.09%

See accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS Continued

	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014	Year Ended December 31, 2013
Service Shares					
Per Share Operating Data					
Net asset value, beginning of period	\$2.16	\$2.29	\$2.40	\$2.66	\$2.14
Income (loss) from investment operations:					
Net investment income ¹	0.01	0.02	0.02	0.02	0.02
Net realized and unrealized gain (loss)	0.56	(0.08)	0.06	(0.21)	0.53
Total from investment operations	0.57	(0.06)	0.08	(0.19)	0.55
Dividends and/or distributions to shareholders:					
Dividends from net investment income	(0.03)	(0.02)	(0.02)	(0.02)	(0.03)
Distributions from net realized gain	0.00	(0.05)	(0.17)	(0.05)	0.00
Total dividends and/or distributions to shareholders	(0.03)	(0.07)	(0.19)	(0.07)	(0.03)
Net asset value, end of period	\$2.70	\$2.16	\$2.29	\$2.40	\$2.66
Total Return, at Net Asset Value²	26.44%	(2.72)%	3.11%	(7.15)%	25.71%
Ratios/Supplemental Data					
Net assets, end of period (in thousands)	\$239,042	\$175,633	\$169,292	\$145,515	\$118,060
Average net assets (in thousands)	\$213,440	\$174,834	\$165,226	\$128,694	\$88,647
Ratios to average net assets: ³					
Net investment income	0.60%	0.99%	0.79%	0.85%	0.89%
Expenses excluding specific expenses listed below	1.33%	1.34%	1.33%	1.32%	1.34%
Interest and fees from borrowings	0.00% ⁴	0.00% ⁴	0.00% ⁴	0.00%	0.00%
Total expenses ⁵	1.33%	1.34%	1.33%	1.32%	1.34%
Expenses after payments, waivers and/or reimbursements and reduction to custodian expenses	1.25%	1.25%	1.25%	1.25%	1.25%
Portfolio turnover rate	27%	15%	24%	41%	32%

1. Per share amounts calculated based on the average shares outstanding during the period.

2. Assumes an initial investment on the business day before the first day of the fiscal period, with all dividends and distributions reinvested in additional shares on the reinvestment date, and redemption at the net asset value calculated on the last business day of the fiscal period. Total returns are not annualized for periods less than one full year. Total return information does not reflect expenses that apply at the separate account level or to related insurance products. Inclusion of these charges would reduce the total return figures for all periods shown. Returns do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

3. Annualized for periods less than one full year.

4. Less than 0.005%.

5. Total expenses including indirect expenses from affiliated fund fees and expenses were as follows:

Year Ended December 31, 2017	1.33%
Year Ended December 31, 2016	1.34%
Year Ended December 31, 2015	1.33%
Year Ended December 31, 2014	1.32%
Year Ended December 31, 2013	1.34%

See accompanying Notes to Financial Statements.

1. Organization

Oppenheimer International Growth Fund/VA (the "Fund"), is a separate series of Oppenheimer Variable Account Funds, which is registered under the Investment Company Act of 1940 ("1940 Act"), as amended, as a diversified open-end management investment company. The Fund's investment objective is to seek capital appreciation. The Fund's investment adviser is OFI Global Asset Management, Inc. ("OFI Global" or the "Manager"), a wholly-owned subsidiary of OppenheimerFunds, Inc. ("OFI" or the "Sub-Adviser"). The Manager has entered into a sub-advisory agreement with OFI. Shares of the Fund are sold only to separate accounts of life insurance companies.

The Fund offers two classes of shares. Both classes are sold at their offering price, which is the net asset value per share, to separate investment accounts of participating insurance companies as an underlying investment for variable life insurance policies, variable annuity contracts or other investment products. The class of shares designated as Service shares is subject to a distribution and service plan. Both classes of shares have identical rights and voting privileges with respect to the Fund in general and exclusive voting rights on matters that affect that class alone. Earnings, net assets and net asset value per share may differ due to each class having its own expenses, such as transfer and shareholder servicing agent fees and shareholder communications, directly attributable to that class.

The following is a summary of significant accounting policies followed in the Fund's preparation of financial statements in accordance with accounting principles generally accepted in the United States ("U.S. GAAP").

2. Significant Accounting Policies

Security Valuation. All investments in securities are recorded at their estimated fair value, as described in Note 3.

Foreign Currency Translation. The books and records of the Fund are maintained in U.S. dollars. Any foreign currency amounts are translated into U.S. dollars on the following basis:

- (1) Value of investment securities, other assets and liabilities — at the exchange rates prevailing at Market Close as described in Note 3.
- (2) Purchases and sales of investment securities, income and expenses — at the rates of exchange prevailing on the respective dates of such transactions.

Although the net assets and the values are presented at the foreign exchange rates at Market Close, the Fund does not isolate the portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in prices of securities held. Such fluctuations are included with the net realized and unrealized gains or losses from investments shown in the Statement of Operations.

For securities, which are subject to foreign withholding tax upon disposition, realized gains or losses on such securities are recorded net of foreign withholding tax.

Reported net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, the difference between the amounts of dividends, interest, and foreign withholding tax reclaims recorded on the Fund's books, and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities other than investments in securities, resulting from changes in the exchange rate.

Allocation of Income, Expenses, Gains and Losses. Income, expenses (other than those attributable to a specific class), gains and losses are allocated on a daily basis to each class of shares based upon the relative proportion of net assets represented by such class. Operating expenses directly attributable to a specific class are charged against the operations of that class.

Dividends and Distributions to Shareholders. Dividends and distributions to shareholders, which are determined in accordance with income tax regulations and may differ from U.S. GAAP, are recorded on the ex-dividend date. Income and capital gain distributions, if any, are declared and paid annually or at other times as determined necessary by the Manager.

Investment Income. Dividend income is recorded on the ex-dividend date or upon ex-dividend notification in the case of certain foreign dividends where the ex-dividend date may have passed. Non-cash dividends included in dividend income, if any, are recorded at the fair value of the securities received. Withholding taxes on foreign dividends, if any, and capital gains taxes on foreign investments, if any, have been provided for in accordance with the Fund's understanding of the applicable tax rules and regulations. Interest income, if any, is recognized on an accrual basis. Discount and premium, which are included in interest income on the Statement of Operations, are amortized or accreted daily.

Custodian Fees. "Custodian fees and expenses" in the Statement of Operations may include interest expense incurred by the Fund on any cash overdrafts of its custodian account during the period. Such cash overdrafts may result from the effects of failed trades in portfolio securities and from cash outflows resulting from unanticipated shareholder redemption activity. The Fund pays interest to its custodian on such cash overdrafts, to the extent they are not offset by positive cash balances maintained by the Fund, at a rate equal to the Federal Funds Rate plus 2.00%. The "Reduction to custodian expenses" line item, if applicable, represents earnings on cash balances maintained by the Fund during the period. Such interest expense and other custodian fees may be paid with these earnings.

Security Transactions. Security transactions are recorded on the trade date. Realized gains and losses on securities sold are determined on the basis of identified cost.

Indemnifications. The Fund's organizational documents provide current and former Trustees and officers with a limited indemnification against

NOTES TO FINANCIAL STATEMENTS Continued

2. Significant Accounting Policies (Continued)

liabilities arising in connection with the performance of their duties to the Fund. In the normal course of business, the Fund may also enter into contracts that provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown as this would be dependent on future claims that may be made against the Fund. The risk of material loss from such claims is considered remote.

Federal Taxes. The Fund intends to comply with provisions of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its investment company taxable income, including any net realized gain on investments not offset by capital loss carryforwards, if any, to shareholders. Therefore, no federal income or excise tax provision is required. The Fund files income tax returns in U.S. federal and applicable state jurisdictions. The statute of limitations on the Fund's tax return filings generally remains open for the three preceding fiscal reporting period ends. The Fund has analyzed its tax positions for the fiscal year ended December 31, 2017, including open tax years, and does not believe there are any uncertain tax positions requiring recognition in the Fund's financial statements.

The tax components of capital shown in the following table represent distribution requirements the Fund must satisfy under the income tax regulations, losses the Fund may be able to offset against income and gains realized in future years and unrealized appreciation or depreciation of securities and other investments for federal income tax purposes.

Undistributed Net Investment Income	Undistributed Long-Term Gain	Accumulated Loss Carryforward ^{1,2}	Net Unrealized Appreciation Based on cost of Securities and Other Investments for Federal Income Tax Purposes
\$4,562,242	\$10,181,143	\$—	\$223,085,439

1. During the reporting period, the Fund utilized \$417,148 of capital loss carryforward to offset capital gains realized in that fiscal year.

2. During the previous reporting period, the Fund did not utilize any capital loss carryforward.

Net investment income (loss) and net realized gain (loss) may differ for financial statement and tax purposes. The character of dividends and distributions made during the fiscal year from net investment income or net realized gains are determined in accordance with federal income tax requirements, which may differ from the character of net investment income or net realized gains presented in those financial statements in accordance with U.S. GAAP. Also, due to timing of dividends and distributions, the fiscal year in which amounts are distributed may differ from the fiscal year in which the income or net realized gain was recorded by the Fund.

Accordingly, the following amounts have been reclassified for the reporting period. Net assets of the Fund were unaffected by the reclassifications.

Increase to Paid-in Capital	Reduction to Accumulated Net Investment Income	Reduction to Accumulated Net Realized Gain on Investments ³
\$1,073,985	\$82,739	\$991,246

3. \$1,073,984, including \$1,031,538 of long-term capital gain, was distributed in connection with Fund share redemptions.

The tax character of distributions paid during the reporting periods:

	Year Ended December 31, 2017	Year Ended December 31, 2016
Distributions paid from:		
Ordinary income	\$ 7,294,028	\$ 4,858,159
Long-term capital gain	—	11,251,425
Total	<u>\$ 7,294,028</u>	<u>\$ 16,109,584</u>

The aggregate cost of securities and other investments and the composition of unrealized appreciation and depreciation of securities and other investments for federal income tax purposes at period end are noted in the following table. The primary difference between book and tax appreciation or depreciation of securities and other investments, if applicable, is attributable to the tax deferral of losses or tax realization of financial statement unrealized gain or loss.

Federal tax cost of securities	\$ 367,157,776
Federal tax cost of other investments	8
Total federal tax cost	<u>\$ 367,157,784</u>
Gross unrealized appreciation	\$ 247,421,551
Gross unrealized depreciation	(24,336,112)
Net unrealized appreciation	<u>\$ 223,085,439</u>

Certain foreign countries impose a tax on capital gains which is accrued by the Fund based on unrealized appreciation, if any, on affected securities. The tax is paid when the gain is realized.

2. Significant Accounting Policies (Continued)

Use of Estimates. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

3. Securities Valuation

The Fund calculates the net asset value of its shares as of 4:00 P.M. Eastern time, on each day the New York Stock Exchange (the "Exchange") is open for trading, except in the case of a scheduled early closing of the Exchange, in which case the Fund will calculate net asset value of the shares as of the scheduled early closing time of the Exchange.

The Fund's Board has adopted procedures for the valuation of the Fund's securities and has delegated the day-to-day responsibility for valuation determinations under those procedures to the Manager. The Manager has established a Valuation Committee which is responsible for determining a fair valuation for any security for which market quotations are not readily available. The Valuation Committee's fair valuation determinations are subject to review, approval and ratification by the Fund's Board at least quarterly or more frequently, if necessary.

Valuation Methods and Inputs

Securities are valued primarily using unadjusted quoted market prices, when available, as supplied by third party pricing services or broker-dealers.

The following methodologies are used to determine the market value or the fair value of the types of securities described below:

Equity securities traded on a securities exchange (including exchange-traded derivatives other than futures and futures options) are valued based on the official closing price on the principal exchange on which the security is traded, as identified by the Manager, prior to the time when the Fund's assets are valued. If the official closing price is unavailable, the security is valued at the last sale price on the principal exchange on which it is traded, or if no sales occurred, the security is valued at the mean between the quoted bid and asked prices. Over-the-counter equity securities are valued at the last published sale price, or if no sales occurred, at the mean between the quoted bid and asked prices. Events occurring after the close of trading on foreign exchanges may result in adjustments to the valuation of foreign securities to more accurately reflect their fair value as of the time when the Fund's assets are valued.

Shares of a registered investment company that are not traded on an exchange are valued at that investment company's net asset value per share.

Securities for which market quotations are not readily available, or when a significant event has occurred that would materially affect the value of the security, are fair valued either (i) by a standardized fair valuation methodology applicable to the security type or the significant event as previously approved by the Valuation Committee and the Fund's Board or (ii) as determined in good faith by the Manager's Valuation Committee. The Valuation Committee considers all relevant facts that are reasonably available, through either public information or information available to the Manager, when determining the fair value of a security. Those standardized fair valuation methodologies include, but are not limited to, valuing securities at the last sale price or initially at cost and subsequently adjusting the value based on: changes in company specific fundamentals, changes in an appropriate securities index, or changes in the value of similar securities which may be further adjusted for any discounts related to security-specific resale restrictions. When possible, such methodologies use observable market inputs such as unadjusted quoted prices of similar securities, observable interest rates, currency rates and yield curves. The methodologies used for valuing securities are not necessarily an indication of the risks associated with investing in those securities nor can it be assured that the Fund can obtain the fair value assigned to a security if it were to sell the security.

Classifications

Each investment asset or liability of the Fund is assigned a level at measurement date based on the significance and source of the inputs to its valuation. Various data inputs may be used in determining the value of each of the Fund's investments as of the reporting period end. These data inputs are categorized in the following hierarchy under applicable financial accounting standards:

- 1) Level 1—unadjusted quoted prices in active markets for identical assets or liabilities (including securities actively traded on a securities exchange)
- 2) Level 2—inputs other than unadjusted quoted prices that are observable for the asset or liability (such as unadjusted quoted prices for similar assets and market corroborated inputs such as interest rates, prepayment speeds, credit risks, etc.)
- 3) Level 3—significant unobservable inputs (including the Manager's own judgments about assumptions that market participants would use in pricing the asset or liability).

The inputs used for valuing securities are not necessarily an indication of the risks associated with investing in those securities.

The Fund classifies each of its investments in investment companies which are publicly offered as Level 1. Investment companies that are not publicly offered, if any, are classified as Level 2 in the fair value hierarchy.

The table below categorizes amounts that are included in the Fund's Statement of Assets and Liabilities at period end based on valuation input level:

	Level 1— Unadjusted Quoted Prices	Level 2— Other Significant Observable Inputs	Level 3— Significant Unobservable Inputs	Value
Assets Table				
Investments, at Value:				
Common Stocks				
Consumer Discretionary	\$ 17,991,495	\$ 124,697,336	—	\$ 142,688,831

NOTES TO FINANCIAL STATEMENTS Continued

3. Securities Valuation (Continued)

	Level 1— Unadjusted Quoted Prices	Level 2— Other Significant Observable Inputs	Level 3— Significant Unobservable Inputs	Value
Common Stocks (Continued)				
Consumer Staples	\$ 13,857,920	\$ 55,082,076	\$ —	68,939,996
Energy	—	7,006,452	—	7,006,452
Financials	7,817,500	29,176,242	—	36,993,742
Health Care	—	63,209,712	—	63,209,712
Industrials	—	96,635,483	—	96,635,483
Information Technology	6,916,221	122,527,743	—	129,443,964
Materials	7,151,602	19,834,302	—	26,985,904
Telecommunication Services	—	16,884,974	—	16,884,974
Preferred Stock	93,931	—	—	93,931
Investment Company	1,843,768	—	—	1,843,768
Total Assets	\$ 55,672,437	\$ 535,054,320	\$ —	\$ 590,726,757

Forward currency exchange contracts and futures contracts, if any, are reported at their unrealized appreciation/depreciation at measurement date, which represents the change in the contract's value from trade date. All additional assets and liabilities included in the above table are reported at their market value at measurement date.

The table below shows the transfers between Level 1 and Level 2. The Fund's policy is to recognize transfers in and transfers out as of the beginning of the reporting period.

	Transfers out of Level 1*	Transfers into Level 2*
Assets Table		
Investments, at Value:		
Financials	\$ (2,706,840)	\$ 2,706,840
Total Assets	\$ (2,706,840)	\$ 2,706,840

* Transfers from Level 1 to Level 2 are a result of a change in pricing methodology to the use of a valuation determined based on observable market information other than quoted prices from an active market due to a lack of available unadjusted quoted prices.

4. Investments and Risks

Risks of Foreign Investing. The Fund may invest in foreign securities which are subject to special risks. Securities traded in foreign markets may be less liquid and more volatile than those traded in U.S. markets. Foreign issuers are usually not subject to the same accounting and disclosure requirements that U.S. companies are subject to, which may make it difficult for the Fund to evaluate a foreign company's operations or financial condition. A change in the value of a foreign currency against the U.S. dollar will result in a change in the U.S. dollar value of investments denominated in that foreign currency and in the value of any income or distributions the Fund may receive on those investments. The value of foreign investments may be affected by exchange control regulations, foreign taxes, higher transaction and other costs, delays in the settlement of transactions, changes in economic or monetary policy in the United States or abroad, expropriation or nationalization of a company's assets, or other political and economic factors. In addition, due to the inter-relationship of global economies and financial markets, changes in political and economic factors in one country or region could adversely affect conditions in another country or region. Investments in foreign securities may also expose the Fund to time-zone arbitrage risk. Foreign securities may trade on weekends or other days when the Fund does not price its shares. At times, the Fund may emphasize investments in a particular country or region and may be subject to greater risks from adverse events that occur in that country or region. Foreign securities and foreign currencies held in foreign banks and securities depositories may be subject to limited or no regulatory oversight.

Investments in Affiliated Funds. The Fund is permitted to invest in other mutual funds advised by the Manager ("Affiliated Funds"). Affiliated Funds are open-end management investment companies registered under the 1940 Act, as amended. The Manager is the investment adviser of, and the Sub-Adviser provides investment and related advisory services to, the Affiliated Funds. When applicable, the Fund's investments in Affiliated Funds are included in the Statement of Investments. Shares of Affiliated Funds are valued at their net asset value per share. As a shareholder, the Fund is subject to its proportional share of the Affiliated Funds' expenses, including their management fee. The Manager will waive fees and/or reimburse Fund expenses in an amount equal to the indirect management fees incurred through the Fund's investment in the Affiliated Funds.

Each of the Affiliated Funds in which the Fund invests has its own investment risks, and those risks can affect the value of the Fund's investments and therefore the value of the Fund's shares. To the extent that the Fund invests more of its assets in one Affiliated Fund than in another, the Fund will have greater exposure to the risks of that Affiliated Fund.

Investments in Money Market Instruments. The Fund is permitted to invest its free cash balances in money market instruments to provide liquidity or for defensive purposes. The Fund may invest in money market instruments by investing in Class E shares of Oppenheimer Institutional Government Money Market Fund ("IGMMF"), which is an Affiliated Fund. IGMMF is regulated as a money market fund under the 1940 Act, as amended. The Fund may also invest in money market instruments directly or in other affiliated or unaffiliated money market funds.

4. Investments and Risks (Continued)

Equity Security Risk. Stocks and other equity securities fluctuate in price. The value of the Fund's portfolio may be affected by changes in the equity markets generally. Equity markets may experience significant short-term volatility and may fall sharply at times. Different markets may behave differently from each other and U.S. equity markets may move in the opposite direction from one or more foreign stock markets. Adverse events in any part of the equity or fixed-income markets may have unexpected negative effects on other market segments.

The prices of individual equity securities generally do not all move in the same direction at the same time and a variety of factors can affect the price of a particular company's securities. These factors may include, but are not limited to, poor earnings reports, a loss of customers, litigation against the company, general unfavorable performance of the company's sector or industry, or changes in government regulations affecting the company or its industry.

Shareholder Concentration. At period end, one shareholder owned 20% or more of the Fund's total outstanding shares.

The shareholder is a related party of the Fund. Related parties may include, but are not limited to, the investment manager and its affiliates, affiliated broker dealers, fund of funds, and directors or employees. Related parties owned 38% of the Fund's total outstanding shares at period end.

5. Market Risk Factors

The Fund's investments in securities and/or financial derivatives may expose the Fund to various market risk factors:

Commodity Risk. Commodity risk relates to the change in value of commodities or commodity indexes as they relate to increases or decreases in the commodities market. Commodities are physical assets that have tangible properties. Examples of these types of assets are crude oil, heating oil, metals, livestock, and agricultural products.

Credit Risk. Credit risk relates to the ability of the issuer of debt to meet interest and principal payments, or both, as they come due. In general, lower-grade, higher-yield debt securities are subject to credit risk to a greater extent than lower-yield, higher-quality securities.

Equity Risk. Equity risk relates to the change in value of equity securities as they relate to increases or decreases in the general market.

Foreign Exchange Rate Risk. Foreign exchange rate risk relates to the change in the U.S. dollar value of a security held that is denominated in a foreign currency. The U.S. dollar value of a foreign currency denominated security will decrease as the dollar appreciates against the currency, while the U.S. dollar value will increase as the dollar depreciates against the currency.

Interest Rate Risk. Interest rate risk refers to the fluctuations in value of fixed-income securities resulting from the inverse relationship between price and yield. For example, an increase in general interest rates will tend to reduce the market value of already issued fixed-income investments, and a decline in general interest rates will tend to increase their value. In addition, debt securities with longer maturities, which tend to have higher yields, are subject to potentially greater fluctuations in value from changes in interest rates than obligations with shorter maturities.

Volatility Risk. Volatility risk refers to the magnitude of the movement, but not the direction of the movement, in a financial instrument's price over a defined time period. Large increases or decreases in a financial instrument's price over a relative time period typically indicate greater volatility risk, while small increases or decreases in its price typically indicate lower volatility risk.

6. Shares of Beneficial Interest

The Fund has authorized an unlimited number of \$0.001 par value shares of beneficial interest of each class. Transactions in shares of beneficial interest were as follows:

	Year Ended December 31, 2017		Year Ended December 31, 2016	
	Shares	Amount	Shares	Amount
Non-Service Shares				
Sold	22,026,198	\$ 51,090,812	22,953,697	\$ 47,962,883
Dividends and/or distributions reinvested	2,045,409	4,868,321	4,989,924	10,628,539
Redeemed	(30,252,278)	(70,738,451)	(27,048,722)	(57,802,510)
Net increase (decrease)	(6,180,671)	\$ (14,779,318)	894,899	\$ 788,912
Service Shares				
Sold	23,171,844	\$ 56,773,388	20,232,575	\$ 45,018,434
Dividends and/or distributions reinvested	978,108	2,425,707	2,468,939	5,481,045
Redeemed	(16,813,549)	(41,691,854)	(15,460,315)	(34,540,252)
Net increase	7,336,403	\$ 17,507,241	7,241,199	\$ 15,959,227

7. Purchases and Sales of Securities

The aggregate cost of purchases and proceeds from sales of securities, other than short-term obligations and investments in IGMMF, for the reporting period were as follows:

	Purchases	Sales
Investment securities	\$143,344,952	\$144,326,694

8. Fees and Other Transactions with Affiliates

Management Fees. Under the investment advisory agreement, the Fund pays the Manager a management fee based on the daily net assets of the Fund at an annual rate as shown in the following table:

Fee Schedule	
Up to \$250 million	1.00%
Next \$250 million	0.90
Next \$500 million	0.85
Over \$1 billion	0.82

The Fund's effective management fee for the reporting period was 0.94% of average annual net assets before any applicable waivers.

Sub-Adviser Fees. The Manager has retained the Sub-Adviser to provide the day-to-day portfolio management of the Fund. Under the Sub-Advisory Agreement, the Manager pays the Sub-Adviser an annual fee in monthly installments, equal to a percentage of the investment management fee collected by the Manager from the Fund, which shall be calculated after any investment management fee waivers. The fee paid to the Sub-Adviser is paid by the Manager, not by the Fund.

Transfer Agent Fees. OFI Global (the "Transfer Agent") serves as the transfer and shareholder servicing agent for the Fund. The Fund pays the Transfer Agent a fee based on annual net assets. Fees incurred and average net assets for each class with respect to these services are detailed in the Statement of Operations and Financial Highlights, respectively.

Sub-Transfer Agent Fees. The Transfer Agent has retained Shareholder Services, Inc., a wholly-owned subsidiary of OFI (the "Sub-Transfer Agent"), to provide the day-to-day transfer agent and shareholder servicing of the Fund. Under the Sub-Transfer Agency Agreement, the Transfer Agent pays the Sub-Transfer Agent an annual fee in monthly installments, equal to a percentage of the transfer agent fee collected by the Transfer Agent from the Fund, which shall be calculated after any applicable fee waivers. The fee paid to the Sub-Transfer Agent is paid by the Transfer Agent, not by the Fund.

Trustees' Compensation. The Fund's Board of Trustees ("Board") has adopted a compensation deferral plan for Independent Trustees that enables Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from the Fund. For purposes of determining the amount owed to the Trustees under the plan, deferred amounts are treated as though equal dollar amounts had been invested in shares of the Fund or in other Oppenheimer funds selected by the Trustees. The Fund purchases shares of the funds selected for deferral by the Trustees in amounts equal to his or her deemed investment, resulting in a Fund asset equal to the deferred compensation liability. Such assets are included as a component of "Other" within the asset section of the Statement of Assets and Liabilities. Deferral of Trustees' fees under the plan will not affect the net assets of the Fund and will not materially affect the Fund's assets, liabilities or net investment income per share. Amounts will be deferred until distributed in accordance with the compensation deferral plan.

Distribution and Service Plan for Service Shares. The Fund has adopted a Distribution and Service Plan (the "Plan") pursuant to Rule 12b-1 under the 1940 Act for Service shares to pay OppenheimerFunds Distributor, Inc. (the "Distributor"), for distribution related services, personal service and account maintenance for the Fund's Service shares. Under the Plan, payments are made periodically at an annual rate of 0.25% of the daily net assets of Service shares of the Fund. The Distributor currently uses all of those fees to compensate sponsors of the insurance product that offers Fund shares, for providing personal service and maintenance of accounts of their variable contract owners that hold Service shares. These fees are paid out of the Fund's assets on an on-going basis and increase operating expenses of the Service shares, which results in lower performance compared to the Fund's shares that are not subject to a service fee. Fees incurred by the Fund under the Plan are detailed in the Statement of Operations.

Waivers and Reimbursements of Expenses. The Manager has contractually agreed to limit the Fund's expenses after payments, waivers and/or reimbursements and reduction to custodian expenses, excluding any applicable dividend expense, taxes, interest and fees from borrowing, any subsidiary expenses, Acquired Fund Fees and Expenses, brokerage commissions, unusual and infrequent expenses and certain other Fund expenses; so that those expenses, as percentages of daily net assets, will not exceed the annual rate of 1.00% for Non-Service shares and 1.25% for Service shares.

During the reporting period, the Manager waived fees and/or reimbursed the Fund as follows:

Non-Service shares	\$266,359
Service shares	167,890

This fee waiver and/or expense reimbursement may not be amended or withdrawn for one year from the date of the Fund's prospectus, unless approved by the Board.

The Manager will waive fees and/or reimburse Fund expenses in an amount equal to the indirect management fees incurred through the Fund's investment in IGMMF. During the reporting period, the Manager waived fees and/or reimbursed the Fund \$14,145 for IGMMF management fees. This fee waiver and/or expense reimbursement may not be amended or withdrawn for one year from the date of the Fund's prospectus, unless approved by the Board.

9. Borrowings and Other Financing

Joint Credit Facility. A number of mutual funds managed by the Manager participate in a \$1.875 billion revolving credit facility (the "Facility") intended to provide short-term financing, if necessary, subject to certain restrictions in connection with atypical redemption activity. Expenses and fees related to the Facility are paid by the participating funds and are disclosed separately or as other expenses on the Statement of Operations. The Fund did not utilize the Facility during the reporting period.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Trustees
Oppenheimer Variable Account Funds:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Oppenheimer International Growth Fund/VA, a separate series of Oppenheimer Variable Account Funds, (the "Fund"), including the statement of investments, as of December 31, 2017, the related statement of operations for the year then ended, the statements of changes in net assets for each of the years in the two year period then ended, and the related notes (collectively, the "financial statements") and the financial highlights for each of the years in the five year period then ended. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of December 31, 2017, the results of its operations for the year then ended, the changes in its net assets for each of the years in the two year period then ended, and the financial highlights for each of the years in the five year period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Such procedures also included confirmation of securities owned as of December 31, 2017, by correspondence with the custodian, brokers and the transfer agent, or by other appropriate auditing procedures. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. We believe that our audits provide a reasonable basis for our opinion.

KPMG LLP

We have not been able to determine the specific year that we began serving as the auditor of one or more Oppenheimer Funds investment companies, however we are aware that we have served as the auditor of one or more Oppenheimer Funds investment companies since at least 1969.

Denver, Colorado
February 13, 2018

FEDERAL INCOME TAX INFORMATION Unaudited

In early 2018, if applicable, shareholders of record received information regarding all dividends and distributions paid to them by the Fund during calendar year 2017.

None of the dividends paid by the Fund during the reporting period are eligible for the corporate dividend-received deduction.

The foregoing information is presented to assist shareholders in reporting distributions received from the Fund to the Internal Revenue Service. Because of the complexity of the federal regulations which may affect your individual tax return and the many variations in state and local tax regulations, we recommend that you consult your tax advisor for specific guidance.

The Fund has entered into an investment advisory agreement with OFI Global Asset Management, Inc. ("OFI Global" or the "Adviser"), a wholly-owned subsidiary of OppenheimerFunds, Inc. ("OFI" or the "Sub-Adviser") ("OFI Global" and "OFI" together, the "Managers") and OFI Global has entered into a sub-advisory agreement with OFI whereby OFI provides investment sub-advisory services to the Fund (collectively, the "Agreements"). Each year, the Board of Trustees (the "Board"), including a majority of the independent Trustees, is required to determine whether to approve the terms of the Agreements and the renewal thereof. The Investment Company Act of 1940, as amended, requires that the Board request and evaluate, and that the Managers provide, such information as may be reasonably necessary to evaluate the terms of the Agreements. The Board employs an independent consultant to prepare a report that provides information, including comparative information that the Board requests for that purpose. In addition to in-person meetings focused on this evaluation, the Board receives information throughout the year regarding Fund services, fees, expenses and performance.

The Managers and the independent consultant provided information to the Board on the following factors: (i) the nature, quality and extent of the Managers' services, (ii) the comparative investment performance of the Fund and the Managers, (iii) the fees and expenses of the Fund, including comparative fee and expense information, (iv) the profitability of the Managers and their affiliates, including an analysis of the cost of providing services, (v) whether economies of scale are realized as the Fund grows and whether fee levels reflect these economies of scale for Fund investors and (vi) other benefits to the Managers from their relationship with the Fund. The Board was aware that there are alternatives to retaining the Managers.

Outlined below is a summary of the principal information considered by the Board as well as the Board's conclusions.

Nature, Quality and Extent of Services. The Board considered information about the nature, quality and extent of the services provided to the Fund and information regarding the Managers' key personnel who provide such services. The Managers' duties include providing the Fund with the services of the portfolio managers and the Sub-Adviser's investment team, who provide research, analysis and other advisory services in regard to the Fund's investments; and securities trading services. OFI Global is responsible for oversight of third-party service providers; monitoring compliance with applicable Fund policies and procedures and adherence to the Fund's investment restrictions; risk management; and oversight of the Sub-Adviser. OFI Global is also responsible for providing certain administrative services to the Fund. Those services include providing and supervising all administrative and clerical personnel who are necessary in order to provide effective corporate administration for the Fund; compiling and maintaining records with respect to the Fund's operations; preparing and filing reports required by the U.S. Securities and Exchange Commission; preparing periodic reports regarding the operations of the Fund for its shareholders; preparing proxy materials for shareholder meetings; and preparing the registration statements required by federal and state securities laws for the sale of the Fund's shares. OFI Global also provides the Fund with office space, facilities and equipment.

The Board also considered the quality of the services provided and the quality of the Managers' resources that are available to the Fund. The Board took account of the fact that the Sub-Adviser has over fifty years of experience as an investment adviser and that its assets under management rank it among the top mutual fund managers in the United States. The Board evaluated the Managers' advisory, administrative, accounting, legal, compliance and risk management services, among other services, and information the Board has received regarding the experience and professional qualifications of the Managers' key personnel and the size and functions of their staff. In its evaluation of the quality of the portfolio management services provided, the Board considered the experience of George Evans and Robert Dunphy, the portfolio managers for the Fund, and the Sub-Adviser's investment team and analysts. The Board members also considered the totality of their experiences with the Managers as directors or trustees of the Fund and other funds advised by the Managers. The Board considered information regarding the quality of services provided by affiliates of the Managers, which the Board members have become knowledgeable about through their experiences with the Managers and in connection with the review or renewal of the Fund's service agreements or service providers. The Board concluded, in light of the Managers' experience, reputation, personnel, operations and resources that the Fund benefits from the services provided under the Agreements.

Investment Performance of the Managers and the Fund. Throughout the year, the Managers provided information on the investment performance of the Fund, the Adviser and the Sub-Adviser, including comparative performance information. The Board also reviewed information, prepared by the Managers and by the independent consultant, comparing the Fund's historical performance to relevant market indices and to the performance of other foreign large growth funds underlying variable insurance products. The Board noted that the Fund outperformed its performance category median during the one-, five- and ten-year periods, while it underperformed its category mean during the three-year period.

Fees and Expenses of the Fund. The Board reviewed the fees paid to the Adviser and the other expenses borne by the Fund. The Board noted that the Adviser, not the Fund, pays the Sub-Adviser's fee under the sub-advisory agreement. The independent consultant provided comparative data in regard to the fees and expenses of the Fund and other foreign large growth underlying variable insurance products. In reviewing the fees and expenses charged to the VA funds, the Board considered the Adviser's assertion that, because there is much greater disparity in the fees and services that may be provided by a manager to a VA fund as opposed to a retail fund, when comparing the expenses of the various VA funds to those of retail funds, it is most appropriate to focus on total expenses (rather than on the management fees). Accordingly, while the Board reviewed and considered all expenses, it focused on total expenses. The Board considered that the Fund's total expenses and contractual management fee were higher than its respective peer group medians and its category medians. The Board noted that the Adviser has contractually agreed to limit the Fund's total annual operating expenses so that those expenses, as percentages of daily net assets, will not exceed the annual rate of 1.00% for Non-Service Shares and 1.25% for Service Shares. This contractual expense limitation may not be amended or withdrawn until one year from the date of the Fund's prospectus, unless approved by the Board.

Economies of Scale and Profits Realized by the Managers. The Board considered information regarding the Managers' costs in serving as the Fund's investment adviser and sub-adviser, including the costs associated with the personnel and systems necessary to manage the Fund, and information regarding the Managers' profitability from their relationship with the Fund. The Board also considered that the Managers must be able to pay and retain experienced professional personnel at competitive rates to provide quality services to the Fund. The Board reviewed whether the Managers may realize economies of scale in managing and supporting the Fund. The Board noted that the Fund currently has management fee breakpoints, which are intended to share with Fund shareholders economies of scale that may exist as the Fund's assets grow.

Other Benefits to the Managers. In addition to considering the profits realized by the Managers, the Board considered information that was provided regarding the direct and indirect benefits the Managers receive as a result of their relationship with the Fund, including compensation paid to the Managers' affiliates and research provided to the Adviser in connection with permissible brokerage arrangements (soft dollar arrangements).

Conclusions. These factors were also considered by the independent Trustees meeting separately from the full Board, assisted by experienced counsel to the Fund and to the independent Trustees. Fund counsel and the independent Trustees' counsel are independent of the Managers within the meaning and intent of the Securities and Exchange Commission rules.

Based on its review of the information it received and its evaluations described above, the Board, including a majority of the independent Trustees, decided to continue the Agreements through August 31, 2018. In arriving at its decision, the Board did not identify any factor or factors as being more important than others, but considered all of the above information, and considered the terms and conditions of the Agreements, including the management fees, in light of all the surrounding circumstances.

The Fund has adopted Portfolio Proxy Voting Policies and Guidelines under which the Fund votes proxies relating to securities ("portfolio proxies") held by the Fund. A description of the Fund's Portfolio Proxy Voting Policies and Guidelines is available (i) without charge, upon request, by calling the Fund toll-free at 1.800.CALL OPP (225.5677), (ii) on the Fund's website at www.oppenheimerfunds.com, and (iii) on the SEC's website at www.sec.gov. In addition, the Fund is required to file Form N-PX, with its complete proxy voting record for the 12 months ended June 30th, no later than August 31st of each year. The Fund's voting record is available (i) without charge, upon request, by calling the Fund toll-free at 1.800.CALL OPP (225.5677), and (ii) in the Form N-PX filing on the SEC's website at www.sec.gov.

The Fund files its complete schedule of portfolio holdings with the SEC for the first quarter and the third quarter of each fiscal year on Form N-Q. The Fund's Form N-Q filings are available on the SEC's website at www.sec.gov. Those forms may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

TRUSTEES AND OFFICERS Unaudited

Name, Position(s) Held with the Fund, Length of Service, Year of Birth

Principal Occupation(s) During the Past 5 Years; Other Trusteeships/Directorships Held; Number of Portfolios in the Fund Complex Currently Overseen

INDEPENDENT TRUSTEES

The address of each Trustee in the chart below is 6803 S. Tucson Way, Centennial, Colorado 80112-3924. Each Trustee serves for an indefinite term, or until his or her resignation, retirement, death or removal.

Robert J. Malone,

Chairman of the Board of Trustees (since 2016),
Trustee (since 2002)
Year of Birth: 1944

Chairman - Colorado Market of MidFirst Bank (since January 2015); Chairman of the Board (2012-2016) and Director (August 2005-January 2016) of Jones International University (educational organization); Trustee of the Gallagher Family Foundation (non-profit organization) (2000-2016); Chairman, Chief Executive Officer and Director of Steele Street Bank Trust (commercial banking) (August 2003-January 2015); Director of Opera Colorado Foundation (non-profit organization) (2008-2012); Director of Colorado UpLIFT (charitable organization) (1986-2010); Director of Jones Knowledge, Inc. (2006-2010); Former Chairman of U.S. Bank-Colorado (subsidiary of U.S. Bancorp and formerly Colorado National Bank) (July 1996-April 1999); Director of Commercial Assets, Inc. (real estate investment trust) (1993-2000); Director of U.S. Exploration, Inc. (oil and gas exploration) (1997-February 2004); Chairman of the Board (1991-1994) and Trustee (1985-1994) of Regis University; and Chairman of the Board (1990-1991) and Member (1984-1999) of Young Presidents Organization. Oversees 54 portfolios in the OppenheimerFunds complex. Mr. Malone has served on the Boards of certain Oppenheimer funds since 2002, during which time he has become familiar with the Fund's (and other Oppenheimer funds') financial, accounting, regulatory and investment matters and has contributed to the Boards' deliberations.

Andrew J. Donohue,

Trustee (since 2017)
Year of Birth: 1950

Of Counsel, Shearman & Sterling LLP (since September 2017); Chief of Staff of the U.S. Securities and Exchange Commission (regulator) (June 2015-February 2017); Managing Director and Investment Company General Counsel of Goldman Sachs (investment bank) (November 2012-May 2015); Partner at Morgan Lewis & Bockius, LLP (law firm) (March 2011-October 2012); Director of the Division of Investment Management of U.S. Securities and Exchange Commission (regulator) (May 2006-November 2010); Global General Counsel of Merrill Lynch Investment Managers (investment firm) (May 2003-May 2006); General Counsel (October 1991-November 2001) and Executive Vice President (January 1993-November 2001) of OppenheimerFunds, Inc. (investment firm) (June 1991-November 2001). Oversees 54 portfolios in the OppenheimerFunds complex. Mr. Donohue has served on the Boards of certain Oppenheimer funds since 2017, during which time he has become familiar with the Fund's (and other Oppenheimer funds') financial, accounting, regulatory and investment matters and has contributed to the Boards' deliberations.

Jon S. Fossel,

Trustee (since 1990)
Year of Birth: 1942

Chairman of the Board of Jack Creek Preserve Foundation (non-profit organization) (2005-2015); Director of Jack Creek Preserve Foundation (non-profit organization) (since March 2005); Chairman of the Board (2006-December 2011) and Director (June 2002-December 2011) of UNUMProvident (insurance company); Director of Northwestern Energy Corp. (public utility corporation) (November 2004-December 2009); Director of P.R. Pharmaceuticals (October 1999-October 2003); Director of Rocky Mountain Elk Foundation (non-profit organization) (February 1998-February 2003 and February 2005-February 2007); Chairman and Director (until October 1996) and President and Chief Executive Officer (until October 1995) of the Sub-Adviser; President, Chief Executive Officer and Director of the following: Oppenheimer Acquisition Corp. ("OAC") (parent holding company of the Sub-Adviser), Shareholders Services, Inc. and Shareholder Financial Services, Inc. (until October 1995). Oversees 54 portfolios in the OppenheimerFunds complex. Mr. Fossel has served on the Boards of certain Oppenheimer funds since 1990, during which time he has become familiar with the Fund's (and other Oppenheimer funds') financial, accounting, regulatory and investment matters and has contributed to the Boards' deliberations.

Richard F. Grabish,

Trustee (since 2012)
Year of Birth: 1948

Formerly Senior Vice President and Assistant Director of Sales and Marketing (March 1997-December 2007), Director (March 1987-December 2007) and Manager of Private Client Services (June 1985-June 2005) of A.G. Edwards & Sons, Inc. (broker/dealer and investment firm); Chairman and Chief Executive Officer of A.G. Edwards Trust Company, FSB (March 2001-December 2007); President and Vice Chairman of A.G. Edwards Trust Company, FSB (investment adviser) (April 1987-March 2001); President of A.G. Edwards Trust Company, FSB (investment adviser) (June 2005-December 2007). Oversees 54 portfolios in the OppenheimerFunds complex. Mr. Grabish has served on the Boards of certain Oppenheimer funds since 2001, during which time he has become familiar with the Fund's (and other Oppenheimer funds') financial, accounting, regulatory and investment matters and has contributed to the Boards' deliberations.

Beverly L. Hamilton,

Trustee (since 2002)
Year of Birth: 1946

Trustee of Monterey Institute for International Studies (educational organization) (2000-2014); Board Member of Middlebury College (educational organization) (December 2005-June 2011); Director (1991-2016), Vice Chairman of the Board (2006-2009) and Chairman of the Board (2010-2013) of American Funds' Emerging Markets Growth Fund, Inc. (mutual fund); Director of The California Endowment (philanthropic organization) (April 2002-April 2008); Director (February 2002-2005) and Chairman of Trustees (2006-2007) of the Community Hospital of Monterey Peninsula; President of ARCO Investment Management Company (February 1991-April 2000); Member of the investment committees of The Rockefeller Foundation (2001-2006) and The University of Michigan (since 2000); Advisor at Credit Suisse First Boston's Sprout venture capital unit (venture capital fund) (1994-January 2005); Trustee of MassMutual Institutional Funds (investment company) (1996-June 2004); Trustee of MML Series Investment Fund (investment company) (April 1989-June 2004); Member of the investment committee of Hartford Hospital (2000-2003); and Advisor to Unilever (Holland) pension fund (2000-2003). Oversees 54 portfolios in the OppenheimerFunds complex. Ms. Hamilton has served on the Boards of certain Oppenheimer funds since 2002, during which time she has become familiar with the Fund's (and other Oppenheimer funds') financial, accounting, regulatory and investment matters and has contributed to the Boards' deliberations.

Victoria J. Herget,

Trustee (since 2012)
Year of Birth: 1951

Board Chair (2008-2015) and Director (2004-Present), United Educators (insurance company); Trustee (since 2000) and Chair (since 2010), Newberry Library (independent research library); Trustee, Mather LifeWays (senior living organization) (since 2001); Independent Director of the First American Funds (mutual fund family) (2003-2011); former Managing Director (1993-2001), Principal (1985-1993), Vice President (1978-1985) and Assistant Vice President (1973-1978) of Zurich Scudder Investments (investment adviser) (and its predecessor firms); Trustee (1992-2007), Chair of the Board of Trustees (1999-2007), Investment Committee Chair (1994-1999) and Investment Committee member (2007-2010) of Wellesley College; Trustee, BoardSource (non-profit organization) (2006-2009) and Chicago City Day School (K-8 School) (1994-2005). Oversees 54 portfolios in the OppenheimerFunds complex. Ms. Herget has served on the Boards of certain Oppenheimer funds since 2012, during which time she has become familiar with the Fund's (and other Oppenheimer funds') financial, accounting, regulatory and investment matters and has contributed to the Boards' deliberations.

TRUSTEES AND OFFICERS Unaudited / Continued

F. William Marshall, Jr.,

Trustee (since 2000)
Year of Birth: 1942

Trustee Emeritus of Worcester Polytech Institute (WPI) (private university) (since 2009); Trustee of MassMutual Select Funds (formerly MassMutual Institutional Funds) (investment company) (1996-2015), MML Series Investment Fund (investment company) (1996-2015) and Mass Mutual Premier Funds (investment company) (January 2012-December 2015); President and Treasurer of the SIS Charitable Fund (private charitable fund) (January 1999-March 2011); Former Trustee of WPI (1985-2008); Former Chairman of the Board (2004-2006) and Former Chairman of the Investment Committee of WPI (1994-2008); Chairman of SIS Family Bank, F.S.B. (formerly SIS Bank) (commercial bank) (January 1999-July 1999); Executive Vice President of Peoples Heritage Financial Group, Inc. (commercial bank) (January 1999-July 1999); and Former President and Chief Executive Officer of SIS Bancorp. (1993-1999). Oversees 54 portfolios in the OppenheimerFunds complex. Mr. Marshall has served on the Boards of certain Oppenheimer funds since 2000, during which time he has become familiar with the Fund's (and other Oppenheimer funds') financial, accounting, regulatory and investment matters and has contributed to the Boards' deliberations.

Karen L. Stuckey,

Trustee (since 2012)
Year of Birth: 1953

Member (since May 2015) of Desert Mountain Community Foundation Advisory Board (non-profit organization); Partner (1990-2012) of PricewaterhouseCoopers LLP (professional services firm) (held various positions 1975-1990); Trustee (1992-2006); member of Executive, Nominating and Audit Committees and Chair of Finance Committee (1992-2006), and Emeritus Trustee (since 2006) of Lehigh University; and member, Women's Investment Management Forum (professional organization) since inception. Oversees 54 portfolios in the OppenheimerFunds complex. Ms. Stuckey has served on the Boards of certain Oppenheimer funds since 2012, during which time she has become familiar with the Fund's (and other Oppenheimer funds') financial, accounting, regulatory and investment matters and has contributed to the Boards' deliberations.

James D. Vaughn,

Trustee (since 2012)
Year of Birth: 1945

Retired; former managing partner (1994-2001) of Denver office of Deloitte & Touche LLP, (held various positions 1969-1993); Trustee and Chairman of the Audit Committee of Schroder Funds (2003-2012); Board member and Chairman of Audit Committee of AMG National Trust Bank (since 2005); Trustee and Investment Committee member, University of South Dakota Foundation (since 1996); Board member, Audit Committee Member and past Board Chair, Junior Achievement (since 1993); former Board member, Mile High United Way, Boys and Girls Clubs, Boy Scouts, Colorado Business Committee for the Arts, Economic Club of Colorado and Metro Denver Network. Oversees 54 portfolios in the OppenheimerFunds complex. Mr. Vaughn has served on the Boards of certain Oppenheimer funds since 2012, during which time he has become familiar with the Fund's (and other Oppenheimer funds') financial, accounting, regulatory and investment matters and has contributed to the Boards' deliberations.

INTERESTED TRUSTEE AND OFFICER

Mr. Steinmetz is an "Interested Trustee" because he is affiliated with the Manager and the Sub-Adviser by virtue of his positions as Chairman and director of the Sub-Adviser and officer and director of the Manager. Both as a Trustee and as an officer, Mr. Steinmetz serves for an indefinite term, or until his resignation, retirement, death or removal. Mr. Steinmetz's address is 225 Liberty Street, New York, New York 10281-1008.

Arthur P. Steinmetz,

Trustee (since 2015), President and
Principal Executive Officer (since 2014)
Year of Birth: 1958

Chairman of the Sub-Adviser (since January 2015); CEO and Chairman of the Manager (since July 2014), President of the Manager (since May 2013), a Director of the Manager (since January 2013), Director of the Sub-Adviser (since July 2014), President, Management Director and CEO of Oppenheimer Acquisition Corp. (the Sub-Adviser's parent holding company) (since July 2014), and President and Director of OFI SteelPath, Inc. (since January 2013). Chief Investment Officer of the OppenheimerFunds advisory entities from (January 2013-December 2013); Executive Vice President of the Manager (January 2013-May 2013); Chief Investment Officer of the Sub-Adviser (October 2010-December 2012); Chief Investment Officer, Fixed Income, of the Sub-Adviser (April 2009-October 2010); Executive Vice President of the Sub-Adviser (October 2009-December 2012); Director of Fixed Income of the Sub-Adviser (January 2009-April 2009); and a Senior Vice President of the Sub-Adviser (March 1993-September 2009). An officer of 111 portfolios in the OppenheimerFunds complex.

OTHER OFFICERS OF THE FUND

The addresses of the Officers in the chart below are as follows: for Messrs. Evans, Dunphy, Mss. Foxson and Picciotto, 225 Liberty Street, New York, New York 10281-1008, for Mr. Petersen, 6803 S. Tucson Way, Centennial, Colorado 80112-3924. Each Officer serves for an indefinite term or until his or her resignation, retirement, death or removal.

George R. Evans,

Vice President (since 1999)
Year of Birth: 1959

CIO Equities of the Sub-Adviser (since January 2013); Senior Vice President of the Sub-Adviser (since July 2004). Director of International Equities of the Sub-Adviser (since July 2004); Director of Equities of the Sub-Adviser (October 2010-December 2012); Vice President of HarbourView Asset Management Corporation (July 1994-November 2001) and Vice President of the Sub-Adviser (October 1993-July 2004). A portfolio manager and officer of other portfolios in the OppenheimerFunds complex.

Robert B. Dunphy,

Vice President (since 2012)
Year of Birth: 1979

Vice President of the Sub-Adviser (since January 2011); Senior Portfolio Manager (since May 2011); Senior Research Analyst and Assistant Vice President of the Sub-Adviser (May 2009-January 2011), and an Intermediate Research Analyst of the Sub-Adviser (January 2006-May 2009). A portfolio manager of other portfolios in the OppenheimerFunds complex.

Cynthia Lo Bessette,

Secretary and Chief Legal Officer (since 2016)
Year of Birth: 1969

Executive Vice President, General Counsel and Secretary of the Manager (since February 2016); Senior Vice President and Deputy General Counsel of the Manager (March 2015-February 2016); Chief Legal Officer of the Sub-Adviser and the Distributor (since February 2016); Vice President, General Counsel and Secretary of Oppenheimer Acquisition Corp. (since February 2016); General Counsel of OFI SteelPath, Inc., OFI Advisors, LLC and Index Management Solutions, LLC (since February 2016); Chief Legal Officer of OFI Global Institutional, Inc., HarbourView Asset Management Corporation, OFI Global Trust Company, Oppenheimer Real Asset Management, Inc., OFI Private Investments Inc., Shareholder Services, Inc. and Trinity Investment Management Corporation (since February 2016); Corporate Counsel (February 2012-March 2015) and Deputy Chief Legal Officer (April 2013-March 2015) of Jennison Associates LLC; Assistant General Counsel (April 2008-September 2009) and Deputy General Counsel (October 2009-February 2012) of Lord Abbett & Co. LLC. An officer of 111 portfolios in the OppenheimerFunds complex.

Jennifer Foxson,

Vice President and Chief Business
Officer (since 2014)
Year of Birth: 1969

Senior Vice President of OppenheimerFunds Distributor, Inc. (since June 2014); Vice President of OppenheimerFunds Distributor, Inc. (April 2006-June 2014); Vice President of the Sub-Adviser (January 1998-March 2006); Assistant Vice President of the Sub-Adviser (October 1991-December 1998). An officer of 111 portfolios in the OppenheimerFunds complex.

Mary Ann Picciotto,

Chief Compliance Officer and Chief
Anti-Money Laundering Officer (since 2014)
Year of Birth: 1973

Senior Vice President and Chief Compliance Officer of the Manager (since March 2014); Chief Compliance Officer of the Sub-Adviser, OFI SteelPath, Inc., OFI Global Trust Company, OFI Global Institutional, Inc., Oppenheimer Real Asset Management, Inc., OFI Private Investments, Inc., Harborview Asset Management Corporation, Trinity Investment Management Corporation, and Shareholder Services, Inc. (since March 2014); Managing Director of Morgan Stanley Investment Management Inc. and certain of its various affiliated entities; Chief Compliance Officer of various Morgan Stanley Funds (May 2010-January 2014); Chief Compliance Officer of Morgan Stanley Investment Management Inc. (April 2007-January 2014). An officer of 111 portfolios in the OppenheimerFunds complex.

Brian S. Petersen,

Treasurer and Principal Financial &
Accounting Officer (since 2016)
Year of Birth: 1970

Senior Vice President of the Manager (since January 2017); Vice President of the Manager (January 2013-January 2017); Vice President of the Sub-Adviser (February 2007-December 2012); Assistant Vice President of the Sub-Adviser (August 2002-2007). An officer of 111 portfolios in the OppenheimerFunds complex.

The Fund's Statement of Additional Information contains additional information about the Fund's Trustees and Officers and is available without charge, upon request, by calling 1.800.988.8287.

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OPPENHEIMER INTERNATIONAL GROWTH FUND/VA

A Series of Oppenheimer Variable Account Funds

Manager	OFI Global Asset Management, Inc.
Sub-Adviser	OppenheimerFunds, Inc.
Distributor	OppenheimerFunds Distributor, Inc.
Transfer and Shareholder Servicing Agent	OFI Global Asset Management, Inc.
Sub-Transfer Agent	Shareholder Services, Inc. DBA OppenheimerFunds Services
Independent Registered Public Accounting Firm	KPMG LLP
Legal Counsel	Ropes & Gray LLP

Before investing in any of the Oppenheimer funds, investors should carefully consider a fund's investment objectives, risks, charges and expenses. Fund prospectuses and summary prospectuses contain this and other information about the funds and may be obtained by asking your financial advisor, visiting oppenheimerfunds.com or calling us at 1.800.988.8287. Read prospectuses and summary prospectuses carefully before investing.

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